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Workforce and Talent Transformation

Opportunities for Chief Administrative Officers (CAO)
to be agents of change

State Chief Administrative Officers (CAOs) are among those best positioned to innovate and deliver critical public services at speed in communities across the country. The turbulence of recent years—including a global pandemic, supply chain challenges and ongoing inflation—served to highlight their important roles and abilities. Looking ahead, a disruptive context for states continues. The World Economic Forum warns we may be entering a period of "polycrisis," with significant potential for ongoing upheaval; something we refer to in a recent report as "permacrisis."

To continue to navigate—and even leverage—these waves of change, states must attend to, and even reinvent, their own workforce strategies. Workforce must be a key area of focus for public service organizations, as talent shortages persist, and ways of working have changed. We see this at state and national levels. In the United States, the public sector payroll still counts 161,000 fewer jobs than pre-COVID-19 levels.[1] Representative of this trend, states like Texas show staff shortages and high turnover in critical areas. Texas saw a 22.7% turnover rate in Fiscal Year 2022, its highest in 10 years. Total Texas state employment declined overall by 5.4% between 2019 and 2023.[2]

The ability to continuously evaluate and prioritize agile approaches to talent will determine which states and their public agencies succeed and even flourish in times of change and uncertainty. In fact, rethinking talent and workforce is a key, next-generation capability category—and a component of a strategy we call Total Enterprise Reinvention in Public Service—that is necessary to create more agile and resilient public service organizations.

With this in mind, NASCA and Accenture have collaborated to take a deeper dive into this core area. For this research, our teams examined key workforce challenges facing CAOs and identified distinct ways these executives can serve as talent leaders as well as agents of change and resilience.
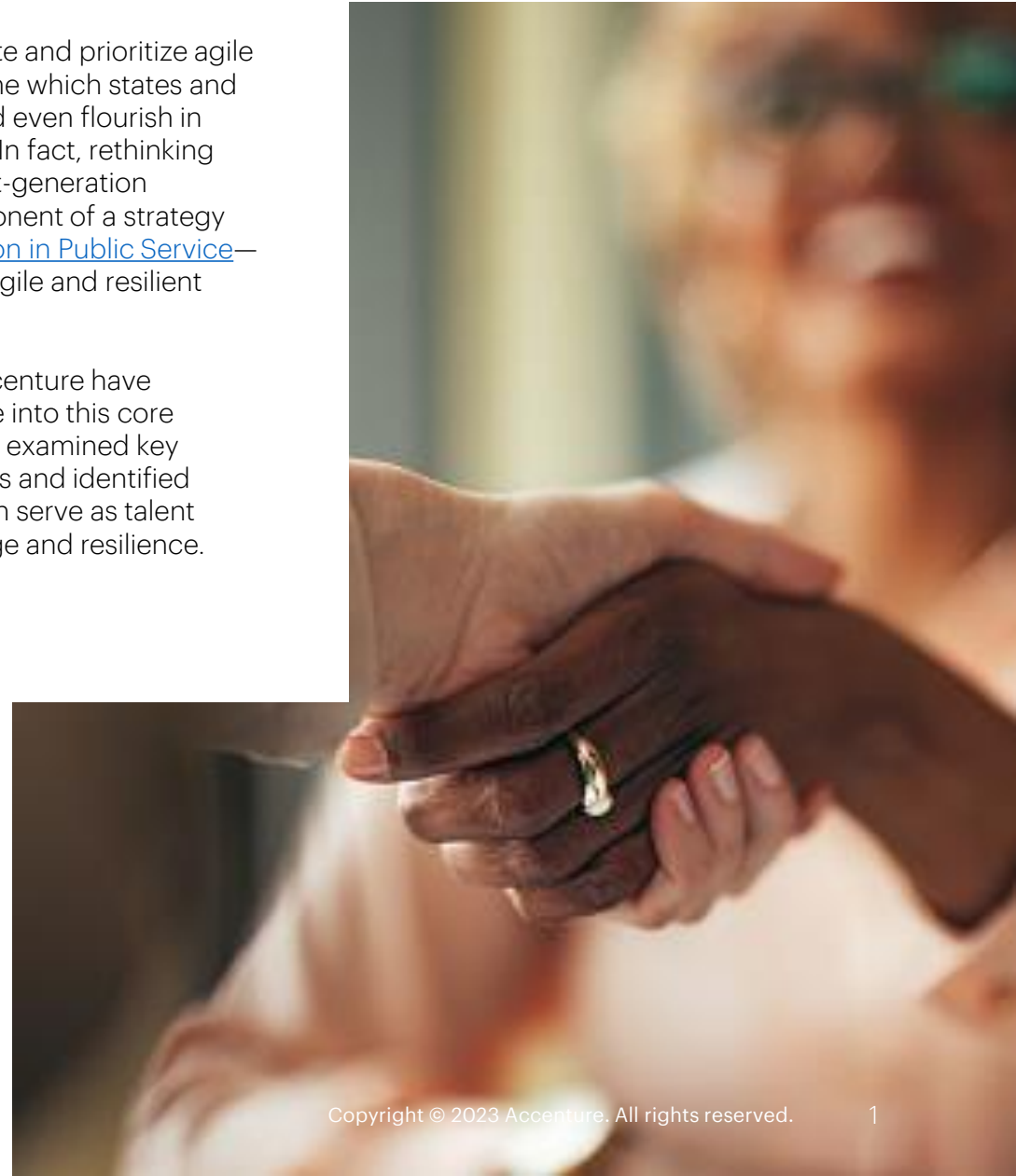
Major workforce challenges

Job architecture and ways of working

The future of work and talent involves effective forecasting along with optimizing workforce size, sourcing and alignment to the tasks that require new skills. Adopting streamlined processes and digital solutions will facilitate new ways of operating and collaborating.

In our discussions with CAOs, they recognize the importance of evaluating what work needs to be done and how, but few have the capacity to continuously gain the real-time insight necessary for proactive approaches. Many conduct workplace evaluations when employees leave, or when departments need to fill roles. There is also an ongoing debate around how to balance remote, hybrid and in-person work. While hybrid options can be effective for recruitment and retention, tension exists as many public service employees must report to an on-site location every day.

Technology and building a strong digital core in state agencies can play an important role in bridging gaps and facilitating flexibility. COVID-19 accelerated the public sector's adoption of new digital technologies, but there is still difficulty in identifying the areas where technology should be incorporated. In addition, better measures are needed to ensure technology is implemented and used with a human-centered approach. While there has been significant recent focus on external implementation of self-serve/digital options for constituents, departments struggle to upskill internal employees at a pace on par with technological innovation. CAOs also need to recognize the need for training to be closely connected to the work employees do every day. When it is clear technology solutions make work easier and facilitate collaboration, employees can be quicker to adopt and evangelize those solutions.
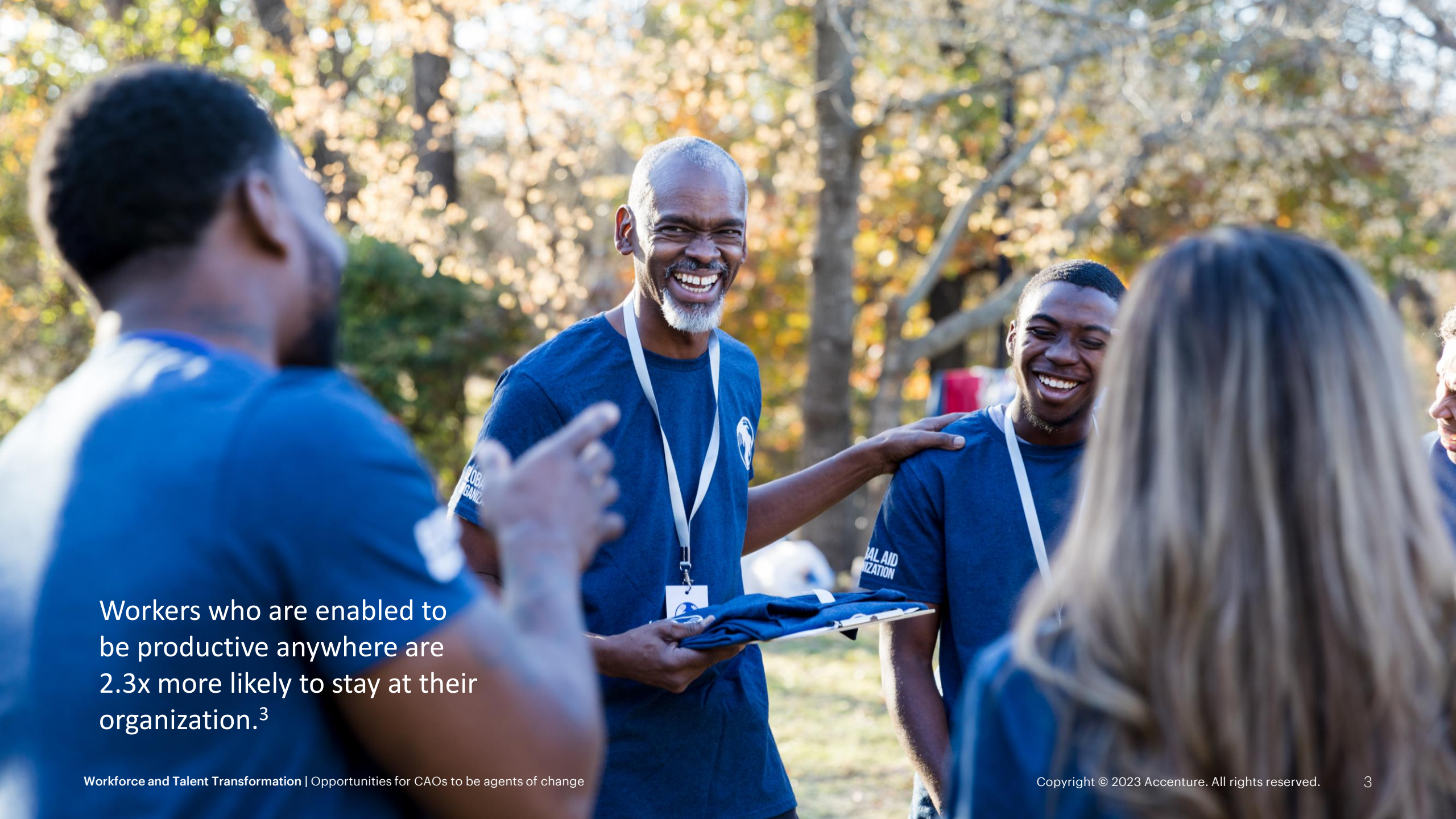
Workers who are enabled to be productive anywhere are 2.3x more likely to stay at their organization.[3]

Talent sourcing

Smart sourcing strategies are essential for creating internal and external talent pipelines for current and future agency and constituent needs. CAOs need to optimize talent acquisition, implementing new technology tools and automation wherever appropriate.

CAOs can find it challenging to implement some potentially effective recruitment mechanisms, sometimes due to issues like collective bargaining, civil service requirements and internal policies. States are investing in ways to streamline processes and reduce time-to-fill to create better candidate experiences with automation. For example, States can now use Generative AI to pre-screen applicants by creating digital tests that craft emails, messages and case studies for applicants to complete. Even with advances in these areas, they are finding it difficult to compete with private-sector salaries and offerings, such as flexible and creative benefit packages and more remote and hybrid work options.

CAOs in many states are [reevaluating degree/skill requirements for in-demand positions](). Formalizing connections and partnerships with higher education institutions is an approach gaining traction and may be a promising way to foster talent pipelines.

53%

of eligible employees accelerated retirement in the last year, the highest ever recorded.[4]

Creating a brand and becoming an Employer of Choice

It can be difficult to brand public service employment as a career of choice and cultivate strong brand awareness in a way that attracts talent. Articulating a fresh and meaningful value proposition in a way that connects public sector work to a meaningful mission will help states find and retain top talent.

CAOs find it challenging to create a compelling brand due to a perceived lack of quick pace, innovation and excitement in government work. Securing approved budget dollars for personalized branding and marketing is another major challenge. CAOs must also recognize that recruitment is not end game: their focus must shift to successful onboarding and retention—things that can be daunting. Most CAOs conduct surveys to understand employee values and needs but can sometimes struggle in translating those insights into actionable expectations and timelines for implementing changes in response.

82%

of job seekers consider employer brand and reputation before applying to a job.[5] One-third of government frontline workers feel they do not belong in the workplace[6] and 52% of state and local workers are considering quitting due to low salary, burnout or pandemic-related stress.[7]

Talent levers for change

Talent management is, indeed, a mandate for all government leaders. The continuous waves of change and talent shortages have created the urgent need for a shift from traditional talent management to talent leadership. Accenture's recent report, "CHRO as a Growth Executive," found that a small group of high-performing organizations enjoyed an 11% productivity boost from leveraging the full potential of data, technology and people. But this productivity uplift fell to just 4% for organizations focusing on data and technology alone.

Our collaborative Accenture/NASCA research surfaced three levers CAOs can use to serve as talent leaders and ensure future agency stability. In addition to State Spotlights that describe leading examples for each talent lever, high level evolution models are included to help users understand leading practices. These evolution models provide basic, leading and next generation characteristics for each lever and allow organizations to envision what is possible.

# 1 Rewire job architecture and ways of working

The future of work continues to evolve. Growing constituent expectations, tightening budgets and technology advancements such as Generative AI are already dramatically altering what, how, where and when work is done.

Job architecture includes everything from job titles, descriptions, levels, criteria for career movement and more. A department's architecture is often based on the status quo and seldom challenged. States must flip this equation, challenging traditional talent approaches. Meeting forward-looking missions and evolving constituent expectations will require using forecasting and analytics in organizational development. It is important to note that this is not a one-time task. There must be capabilities in place to continuously forecast future needs and quickly pivot accordingly. A strong upfront capability for workforce planning optimizes downstream talent sourcing and management.

State leaders must also reimagine how work gets done, as talent shortages and skills gaps make "hiring our way out of this" impractical and impossible. Here, technology is key. Next generation technologies including Generative AI, when appropriately governed, can keep employees -

focused on the highest strategic priorities while eliminating redundant or manual tasks through self-service platforms. A new, essential human + technology relationship will likely require new organizational structures, operating models and ways of working.

In practice, action in this area includes bolstering functions that can regularly evaluate what work is done and how. Some states may consider building "councils" to do this work, ensure transparency and facilitate regular pulse checks as the "new normal" continues to evolve. Maximizing remote work and utilization of AI includes not only upskilling for staff, but also training for managers on how to navigate new tasks in new environments. Consider AI/automation pilot programs such as using chatbots in contact centers. Hiring processes can also be digitized to streamline them and surface new insights that inform workforce planning—including succession planning—in real time. Finally, consolidating HR or agency services can help state agencies do more with their current talent levels.
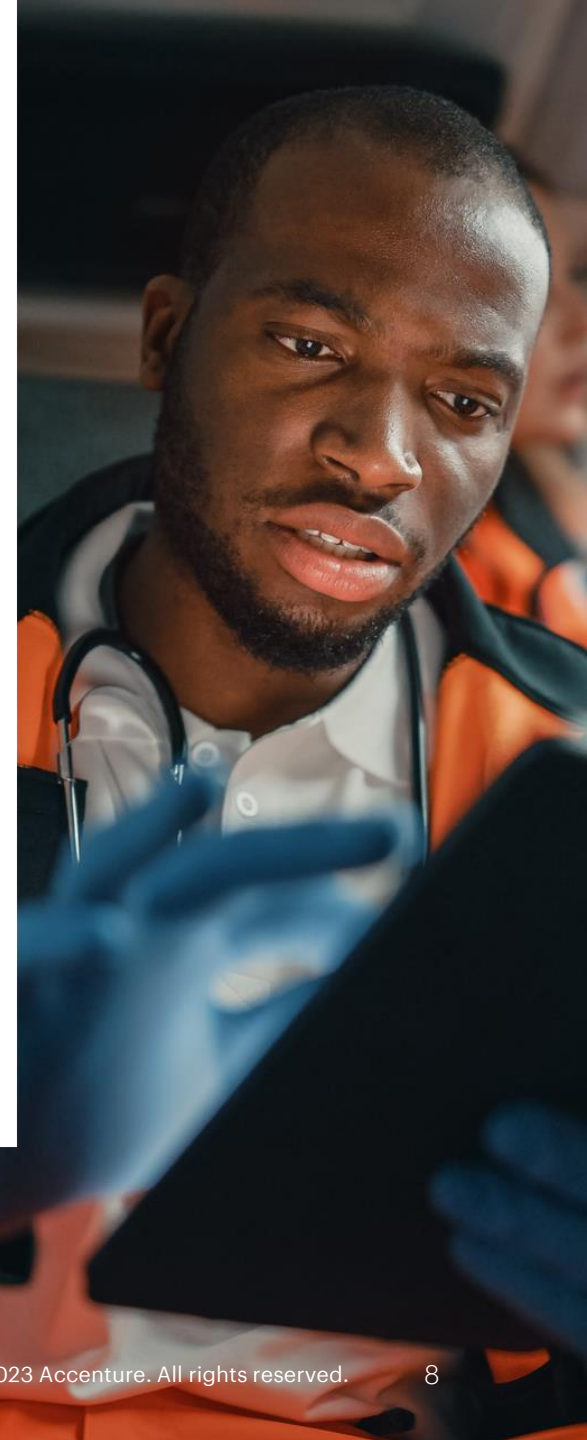
Rewire

Continuously reinvent how people work across the combined efforts of humans and technology; embrace and inspire continuous change to deliver in the future of work; redefine the operating model and talent architecture to build the public service organization of the future.

Continuously rewired organization

- Real-time insights to forecast future work needs; continuous redefinition of job architecture and optimization of talent sizing, sourcing and alignment

- Innovative and nimble operating model and ways of working to ensure right workers are performing right work using the right tools

- Optimization of technology and human work balance; employees see automation and AI as partners and value add

Connected organization

- Advanced analytics used to forecast future work needs; jobs classification and descriptions regularly updated

- Efforts to align operating model and ways of working with future work needs and organization strategy; technology at center of discussion

- Technology, AI and automation used to reduce repetitive tasks and admin overload so employees can focus on mission centric work; employees view technology as a value add

Tangled organization

- Limited capabilities to anticipate and adjust to future of work – what needs to be done, where and how?

- Operating model and ways of working not updated to align with changes (e.g., new tech, legislative requirements, etc.)

- Technology, AI and automation are not used to support or streamline employees' work; employees see technology as a burden

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State Spotlight

Texas IT Advisory Council:
The Texas Comptroller of Public Accounts (CPA) Security Governance Council guides and directs efforts to align IT investments with the needs of the agency's user divisions. The Committee recommends strategic direction to the Deputy Comptroller on agency-wide security and privacy frameworks, policies, structures and processes and monitors their effectiveness. The Committee meets quarterly to identify, review and push forward projects that use innovative technologies and automation. Many project ideas are raised from conferences and learnings from other states. The creation of a dedicated Committee with regular meeting cadences ensures the organization is always considering opportunities to adjust the way work is done, often by augmenting through technology or automation.

Connecticut Automated FMLA Requests:
The Connecticut Department of Administrative Services (CT DAS) has seen the benefits of a rewired organization first hand with their new self-service technology. Recently, the organization automated the FMLA requesting process for the State of Connecticut; employees now have the ability to go into their own individualized self-service portal to initiate their FMLA requests themselves. CT DAS HR employees no longer need to do the front-end work, such as helping employees manually fill out forms or physically delivering paper materials. Leadership at CT's DAS notice that HR employees now have more time for strategic work, such as program and process improvement, research, etc.

2 Recruit and develop new talent and skills

Public service organizations are in stiff competition with other industries to capture talent, while wrestling with high attrition, high retirement eligibility and skilling challenges. States must develop new and creative strategies for accessing and developing a skilled workforce that creates value for employees. Leaders must broaden talent sources to fill skill gaps. The states that will best succeed tomorrow will use external market intelligence and internal talent data to inform their talent and skilling strategies. They will use innovative recruitment practices and seek untapped talent to attract in-demand skills and create durable talent pipelines. Leaders who invest in their people become creators of talent, not just consumers of talent.

Thirteen states across the United States are taking steps to "tear the paper ceiling" to remove unnecessary degree requirements for hard-to-fill roles. Minimum requirements for jobs can be shifted from degrees to experience, with successful results. Pennsylvania Governor Josh Shapiro, for example, ended the college degree requirement for 92% of jobs in the state's government, an action that opened up 65,000 jobs to non-college graduates.[8] Our interviews with State of Connecticut leaders showed 90% of state jobs are experience based, rather than degree based. Governor Roy Cooper of North Carolina recently issued Executive Order 278, which requires the Office of Human Resources to identify job classifications that do not require degrees.[9]

Action items for CAOs in this area center around culture and partnerships. Efforts should include building a culture that emphasizes ongoing recruitment and makes it everyone's job, by speaking at alma maters. Invest in targeted recruiting campaigns that prioritize underserved communities, such as radio ads in multiple languages, and create intentional internship and apprenticeship programs. Partner with K-12 and higher education institutions and encourage staff to attend job fairs who can tell the story of government service in engaging ways. Remove other burdens to state employment such as inadequate compensation packages and lengthy, cumbersome recruiting processes. Finally, be creative in using new technologies, for example, using AI to match job seekers' skills with those skills needed in open roles.
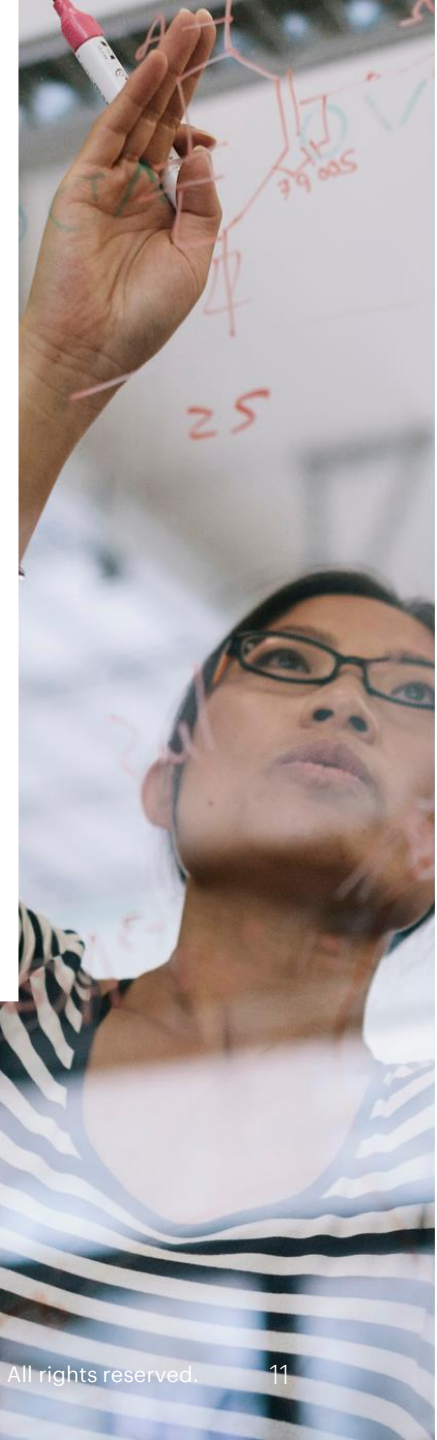
Recruit

Use a creative talent strategy with durable recruitment pipelines that expand, rather than limit, opportunity; develop talent by building future-critical skills with speed and at scale, enabled through a culture of continuous learning; leverage external partners to provide skilling and learning programs that address hard to fill skills.

Traditional techniques

- Limited use of data to inform workforce planning strategy (size, structure, skills needed to execute organization's goals)

- Traditional recruitment and onboarding techniques in historical channels

- Upskilling is available but not used; learning largely done in formal settings

- Credential/degree-based hiring

- Near-term focus on talent and skilling with limited succession planning

Modern methods

- Data-led insights inform workforce planning strategy and connected to end-to-end talent processes

- Seeking out talent from new channels through partnerships and technology; redesigning onboarding processes

- Learning programs updated to include priority skills in on-demand, virtual settings; leaders prioritize upskilling

- Skills-based hiring used to increase talent pipeline of nontraditional workforces

- Defined approach to succession planning disconnected from training

Innovative initiatives

- AI-enabled forecasting, internal talent data and labor market intelligence inform workforce planning strategy; strategy connected to organization's mission and goals

- Emerging technology used to create engaging, inclusive and digital recruiting and onboarding experiences

- Robust, personalized, on-the-job-learning programs build future-critical skills at speed and scale; culture of continuous learning

- Skills-based hiring and proximity skilling used to increase talent pipeline

- Robust approach to succession planning, interconnected with training

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State Spotlight

North Carolina Internship/ Apprenticeship Programs:

North Carolina Internship/Apprenticeship Programs, such as the Department of Administration's Statewide Internship Program (DOA) and Department of Transportation (DOT) Apprenticeship Program, focus on recruiting, educating and preparing people for hard-to-fill positions. The Facilities Management Division at the DOA partners with a local early college high school to provide work-based learning experiences for students through a 10-week internship program. This program has become increasingly important for DOA, as the department continues to recruit skilled employees through workforce development. The DOT Transportation Apprenticeship Program (TAP+) provides participants the opportunity to work alongside experienced professionals and learn industry-leading techniques and technologies by rotating through the various divisions of the department. In addition to on-the-job training, apprentices participate in classroom instruction covering a variety of topics. Apprentices have the opportunity to earn a tuition free associate degree from a NC community college and a position with the department at the close for their apprenticeship.

Texas Returnship Program:

Tapping into the "hidden worker" and "untapped talent" has been a priority for the Texas Comptroller office, which recently targeted its recruiting through a Returnship Program. Beginning in the fall of 2023, the 12-week program provides work assignments for professionals re-entering the workforce after being away from work for two years or more. The program helps working professionals, such as mothers on leave, reactivate professional skills with part-time, entry-level positions, and even provides opportunities for full-time roles with agencies at the end of the 12 weeks. In addition to employment, participants receive coaching and mentoring, build a community of peers and receive training on new skills.[10]

3 Rebrand and retain to become an employer of choice

There is a 69% lower annual employee turnover in organizations that effectively deliver on their employee value propositions.[11] Today, many public service organizations continue to use a traditional employee value proposition for public service careers—but this has eroded. Departments sometimes struggle with employer brand perceptions, and some employees, once hired, can sometimes lack a sense of growth and belonging. Turnover is the norm for many state agencies, leaving them with large vacancy rates and high knowledge drain. The states best positioned to thrive in the future should consider creating a strong employee value proposition built around each agency's mission, values, culture and benefits offered to defined segments of employees. Leaders must invest in creating community through social programming, mentorship and learning opportunities to build a culture of belonging to retain and grow their workforce.

They can do this by launching a brand overhaul to create consistency across the state while uplifting the unique missions of each agency. Branding companies can help, as can employees themselves, who can engage in social media campaigns such as this one in Texas that connects human faces and experiences with state service. Having state employee presence in community events can build the brand and culture. This culture should be purposefully integrated into onboarding activities. Regularly surveying employees can help prioritize areas of investment to deliver on their needs.

States can "earn the commute of their workforce" through professional and interpersonal collaboration experiences such as anchor days on which everyone is in the office. Beyond providing proactive salary increases and bonuses, agencies can offer academic assistance in the form of learning stipends as well as manager training programs and employee resource groups. Hiring a Director of Professional/Workforce Development can help states create defined career paths that facilitate personalized career progression and internal promotions and connect that progression to accessible training opportunities. Creating a positive workplace culture includes training on psychological safety and building a culture of inclusion and belonging.

Rebrand and Retain

Make public sector the place where people want to grow their careers via strong brand recognition and positive perceptions; develop a culture that empowers by elevating their values and needs; create a sense of belonging that connects employees to the mission and the value proposition for a public service career.

Standard brand, experience

- Outdated employee value proposition (EVP);Limited employer brand management

- Employees do not view organization as Employer of Choice, and citizens may lack confidence and trust

- Employees feel they must leave the organization to grow their career

- Communication from leaders is formal and top down

- Limited investment in ID&E or initiatives to support inclusion and belonging

Revamped brand, experience

- Redefined EVP; active employer brand management

- Some employees view organization as Employer of Choice, and citizens are regaining confidence and trust

- Employees see a path to mobility, feel they can reach their potential, and want to stay in organization

- Strong communication and collaborators modeled by leaders

- Investment in organizational solutions that facilitate equitable access to opportunities

Compelling brand, empowering experience

- Differentiated EVP; self-sustaining employer brand management

- Organization seen definitively as Employer of Choice, and citizens have confidence and trust in organization

- Culture of mobility that enables career pathway development

- Leaders model transparency and deliver on their commitments; employees feel psychologically safe

- ID&E embedded into process and culture

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State Spotlight

North Carolina Department of Administration's Emerging Professional Resource Group (EPRG):
North Carolina's Department of Administration (DOA) developed an Emerging Professionals Resource Group for employees who have worked in State Government less than 15 years. This group focuses on networking, professional development, mentorship and community. The group hosts a mix of activities, such as conducting professional development workshops, meeting at local restaurants to connect with colleagues, and participating in mentorship opportunities. The leadership at DOA has noticed that the resource group helps retain employees by encouraging employee growth while creating a culture of organizational inclusion. Secretary Pam Cashwell notes that the group members are especially engaged, and another colleague mentioned that the group creates energy for everyone at DOA, even those that have been in State government longer than 15 years.

Connecticut branding and marketing partnership:
The Connecticut Department of Administrative Services (CT DAS) previously partnered with a job search and career development company to create its first comprehensive and universal brand that focused on "Making an Impact." The contractor developed DAS's first brand through outreach with agencies and surveys targeted toward what attracted employees to apply for and ultimately accept State opportunities. Employees were asked what brought them to the agency, what keeps them there, and what they are most proud of. Since that initial branding work, CT DAS' branding work has continued to grow and evolve with new partners and concepts, and CT DAS stays in touch with key branding stakeholders to make sure they are up to date on all statewide branding changes. Through this, the concept of branding remains at the center of CT DAS' recruiting strategy, and they look for ways to insert it in all employment related marketing and communications. CT DAS continues to use various outlets, from digital, to social, and boots on the ground, to share great missions and job opportunities to fulfill those missions in Connecticut.

Michigan Survey:
The State of Michigan conducts an Employee Engagement Survey to gauge employee sentiment and capture areas that need attention. The MI Department of Technology, Management, and Budget's (DTMB) agency survey specifically contains a comment box, and agency leadership reads every single comment to understand employees' specific needs and priorities.

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From challenge to action to results

As illustrated in the successful efforts of many states, there are numerous paths and approaches that can move the needle on addressing and overcoming workforce challenges. To more clearly identify where to start, as well as which actions or activities might have the greatest impact, states must look to their existing data to inform smart strategy across the three levers referenced above. A technology foundation that allows states to access and analyze data and routinely measure program value is critical.

In our interviews with state leaders, CAOs across the country showed a strong focus on using data like turnover rates, retention rates and social media campaign impacts to drive workforce decisions. They also reinforced the difficulty in accessing data from disparate systems, defining a standard approach for measuring success across departments with consistent datapoints and building processes to continuously evaluate program success. Working across silos can be made easier with a dedicated data analytics and transparency team, such as Michigan's Center for Data and Analytics, focused on unlocking data siloes and providing CAOs with visibility into important workforce and talent data.

Tackling the big issues and keeping jurisdictions sustainable over time entails asking new questions and taking steps to rewire the organization—through new talent strategies and new technology tools, among others—to be more agile and resilient.
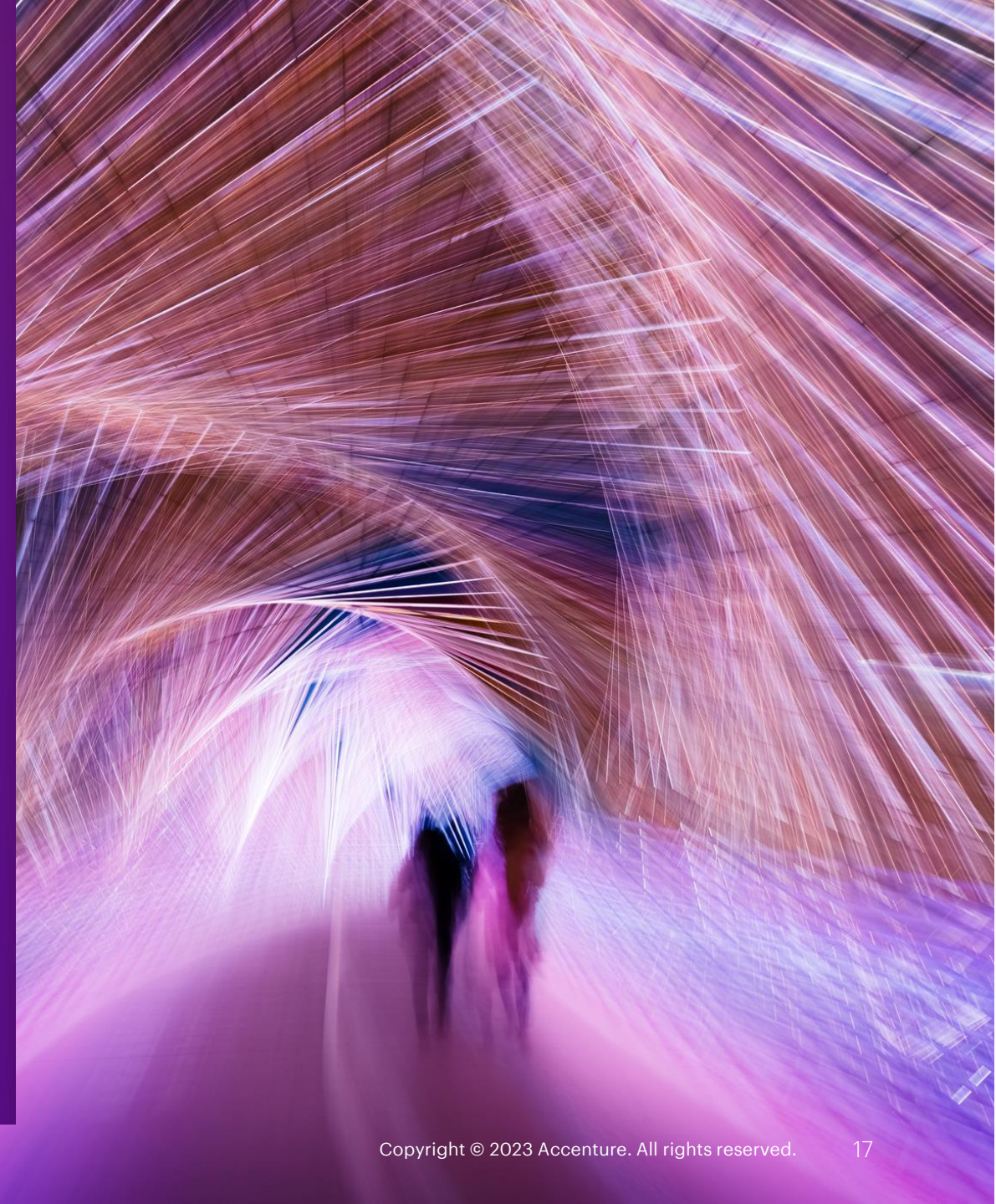
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The mission of the National
Association of State Chief
Administrators (NASCA) is to
engage states in transforming
government operations through
the power of shared knowledge,
operational excellence, and
thought leadership.

Methodology

Accenture and NASCA conducted interviews with three State CAOs and teams to understand current state challenges for key public sector workforce capabilities. Follow up interviews with all three CAO's were conducted, and an additional State CAO interview, to co-create a maturity framework for workforce capabilities and assess CAO's current level of perceived maturity. Two workshops with Chief Administrators were held at NASCA conferences to explore and ideate further to finalize the themes of this report.

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About NASCA

Founded in 1976, the National Association of State Chief Administrators (NASCA), is a nonprofit, 501(c)(3) association representing chief administrative officers (CAOs)—public officials in charge of departments that provide support services such as human resources, information technology, procurement, risk management, and general administrative services to other state agencies. NASCA provides a forum for CAOs to exchange information and learn new ideas from each other and private sector partners. NASCA engages states in transforming government operations through the power of shared knowledge, operational excellence and thought leadership. NASCA's primary state government members are cabinet-level and senior public officials who oversee the departments that provide operational support to other state agencies. Common areas of oversight by NASCA's primary members include general services (such as fleet, mail, printing, and surplus), procurement, facilities, telecommunications, information technology, construction, risk management, accounting, budget, insurance, audits, human resources, professional development and more. NASCA also encourages the participation of deputy directors and senior-level staff who support the state chief administrators.

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