Recruiting and Staffing in the Public Sector:
Results from the IPMA-HR Research Series

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Executive Summary

Two of the most critical activities within the human resources (HR) domain are recruiting and staffing. This involves identifying and attracting the right people to fill positions, ranging from upper management and key decision-maker roles to entry-level personnel. Finding the right person for each position and doing so in a cost-effective and timely manner is a challenge for any organization, but it is becoming especially difficult for public sector entities. This IPMA-HR research study sought to understand what public sector HR organizations do to identify and attract qualified applicants, what methods and strategies work well, and what difficulties organizations encounter in these efforts.

Public sector organizations often are at a disadvantage when compared to the private sector in recruiting and staffing processes. The private sector typically outmatches the public sector on compensation, including bonuses and various other perks, such as stock options. Previous research indicates that most public sector organizations believe competition for talent with the private sector is increasing and that the ability to offer better compensation packages is a key advantage for private sector firms. Public sector organizations also often find themselves competing against not only private companies, but each other, in attracting potential employees. Smaller organizations in more isolated regions of the country, for example, find that multiple jurisdictions often compete over the same diminishing applicant pool and, in turn, drive up compensation costs across the region.

These factors have forced many public sector organizations to develop creative strategies and solutions for recruiting and staffing. Many organizations report positive overall outcomes from temporary workers transitioning to permanent employees. Other organizations are improving their visibility by developing a branding strategy complete with consistent messaging and marketing. Finally, organizations are tapping into professional and cultural networks to reach individuals with specialized skill sets and increase the overall diversity of their workforce.

Various new approaches are proving successful, and these models demonstrate great potential for public sector HR. At the same time, some of the strategies described here are just the starting point for organizations overhauling recruiting or staffing efforts. HR continues to struggle with gathering data and measuring performance, both important steps in efforts to transform HR operations or utilize alternative models like shared services and outsourcing. Information technology (IT) is an important enabling tool for recruiting and staffing, but overall use of IT remains limited, and even the most advanced systems are not being used to their full potential.

EquaTerra conducted the research study, performed the analysis and developed this report on behalf of IPMA-HR and did not receive funding from Adecco. EquaTerra surveyed more than 150 senior-level, public sector professionals (see appendix for full survey methodology) to examine the recruiting and staffing processes in the public sector and the factors that impact these processes. The respondents represented all major public sector categories and were located in the United States.
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**Introduction**

To paraphrase Jim Collins in his book, *Good to Great*, it is not enough to get the right people on the bus and the wrong people off, but the right people must also be in the right seats. Most public sector leaders are familiar with this expression describing the importance of people to the success of an organization. The stakes are often higher in the public sector, where organizations are becoming increasingly reliant on less people, given the steady decline in resources and the imposition of constraints that define the public sector. The right people with appropriate skill sets and experience enable quality service delivery. Skilled professionals can generate new ideas, improve processes and drive innovation throughout an organization. Unfortunately, the wrong people can do exactly the opposite, and hinder or even damage an organization’s performance. Vacant positions can stretch already overburdened employees, resulting in lower productivity and poor morale. Regardless of advanced IT or similar tools available, organizations primarily rely on people; thus, recruiting and staffing are critical organizational processes.

IPMA-HR published (1Q07) a study titled: “The Impact of the Aging Workforce on Public Sector Organizations and Mission.” This study addressed the changing environment public sector organizations face as more employees become eligible for retirement. Increasing retirement levels combined with a diminishing interest in public sector careers by younger workers points to smaller applicant pools and higher competition for qualified applicants in the future. In response to these and other factors, organizations are starting to adapt their approach to recruiting and staffing with varied success. Some of the methods and strategies described here are not entirely new. At the same time, the positive outcomes experienced by some organizations provide important evidence on the need to consider alternatives to traditional strategies and to continue to explore new options.

**Today's Public Sector HR Organization**

To explore what public sector organizations are doing to expand applicant pools and attract qualified applicants, it is important to first consider the current state of public sector HR operations. This study targeted director and/or executive-level HR leaders to gather detailed and insightful information from top decision makers in the field. The breakdown of survey respondents was:

- 62 percent serve as the director of HR or personnel operations for their respective organizations;
- 7 percent serve as deputy or assistant HR director;
- 27 percent hold various HR management titles;
- 4 percent hold other executive or leadership roles outside of HR.

Forty-one percent of respondents report to an executive official, such as a county or city manager, while 23 percent report directly to an elected or appointed official, such as a governor, mayor or cabinet secretary. The individuals responding to this study are HR policy and decision makers tasked with leading the HR function for their organizations.

In terms of today’s HR operating environment, 42 percent of respondents report that their organizations are governed by a combination of civil service and at-will employment systems. Twenty-five percent have an at-will employment system only, while 21 percent have a merit-based, civil service system only. Civil service sometimes adds to the challenges of recruiting and staffing through rigid rules or procedures that govern those processes. However, in the context of this study, survey respondents did not identify civil service as being a significant barrier in recruiting and staffing. On a scale of one to five, with one being low/no barrier and five being high/significant barrier, the average ranking was 2.7. Clearly, other issues outweigh civil service in terms of hindering the recruiting and staffing processes.
Shared services is clearly the most common operating environment for public sector HR organizations, a finding that is consistent with the results of the other studies conducted as part of this series. Seventy-four percent of responding organizations utilize a fully shared services model for delivering HR services, while 4 percent utilize shared services for some but not all divisions of the organization. For the purpose of this survey, shared services was defined as one organizational unit providing HR services to all or some divisions or business units in the organization. Figure 1 depicts the breakdown of current HR operating environments.

![Current HR Operating Environment](image)

Figure 1

Only 5 percent of responding organizations outsource some HR operations to external service providers. As demonstrated in the three previous studies, outsourcing is not widely recognized as a viable option for public sector HR operations. Many public sector organizations seemingly dismiss outsourcing based on a lack of understanding of the potential value of an outsourcing solution and misconceptions that outsourcing requires the offshoring of work. Interestingly, a study recently conducted for IPMA-HR demonstrates that organizations currently outsourcing processes within the HR function are overwhelmingly satisfied with the results of this arrangement. Organizations often find that outsourcing the more transactional functions allows the HR organization to focus on such strategic activities as workforce planning, the development of career paths and overall planning efforts.

To understand how HR sets priorities and guides work, organizations were asked about the existence of HR-focused strategic plans. Past studies indicate that strategic planning is often not a priority for HR despite HR’s efforts to be viewed as a strategic asset to the overall organization. Sixty percent of respondents indicate they have no existing strategic plan for HR, while 40 percent have a strategic plan currently in place. For those with an existing strategic plan, 97 percent identify recruiting and staffing as primary components of this plan. The absence of a strategic plan may speak to a variety of challenges within the organization. If organization leadership does not recognize value in HR, strategic planning may not be a visible priority, and thus, not required or mandated by leadership. Further, HR often struggles with transactional activities in delivering services to employees. Strategic planning requires that HR have the staff, time and energy needed to complete a planning process regardless of how simple or broad the resulting plan. If an HR area is already lean and stretched to maintain day-to-day operations, strategic planning may be out of reach.

Unfortunately, the various challenges and factors that impact public sector HR point to the need for a strategic plan or similar device to guide both short-term and long-term efforts. Strategic planning is about identifying what is working and what is not within an organization and then determining priorities in the context of available resources and tools. As stressed throughout this report, recruiting and staffing are evolving in response to changes to the current and potential workforce. The failure to have a strategic plan in place suggests that the organization approaches HR management in a fragmented and reactive fashion that, by its very nature, is less effective and more costly than working within a thoughtful design.

A little more than one-third of organizations (35 percent) indicate that between 21 and 40 percent of HR’s overall time is spent on recruiting and staffing. Nineteen percent identify dedicated recruiting and staffing time as being between 11 and 20 percent, while 18 percent place this number at between 41 and 60 percent. For most organizations, a significant amount of HR’s time is spent on recruiting and

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1For additional information on the use of outsourcing in public sector HR and overall trends in HR outsourcing, please see the recent IPMA-HR study titled, “An Examination of Trends in Outsourcing and Shared Services in Public Sector HR,” available through the IPMA-HR website: www.ipma-hr.org.
staffing. The clear majority, 75 percent, of respondents report that between one and five employees are dedicated to recruiting and staffing. Another 10 percent report that between six to 10 employees are dedicated to recruiting and staffing. These staffing levels follow the size of the organizations responding to this survey but also demonstrate the limited number of staff doing this type of work.

The Temporary Workforce
Today’s public sector organizations often look to temporary workers to fill immediate needs or reduce the burden on current employees. Temporary workers and the relative speed at which these workers are available also can help to close gaps while the organization searches for a permanent employee. Temporary workers are used in a variety of roles from seasonal service delivery support to administration. Some areas within an organization may use temporary workers on an ongoing basis. Regardless of the position, temporary workers can provide a win-win situation for both the worker and the organization. Temporary workers allow organizations to fill key positions quickly, while workers often view a temporary position as an opportunity to become familiar with the operation and possibly transition to a permanent job.

For the purposes of this study, temporary workers are defined as a worker hired on both a temporary basis (for example, a less-than-six-month assignment) or a worker hired on a temporary basis without a defined end date (indefinite assignment). Typically, temporary workers lack the benefits available to permanent employees and may not qualify for savings plans or related programs. Eighty-seven percent of responding organizations report that between 1 and 25 percent of their current workforce is temporary. Twenty-two percent of respondents report that between 26 and 60 percent of their current workforce is temporary. Ten percent of organizations utilize temporary workers for 51 to 75 percent of their workforce. Clearly, temporary workers are an important part of the public sector workforce.

Organizations also were asked to report on the turnover rate of temporary employees. A high turnover rate among temporary employees is usually expected, but this can be highly disruptive, especially for organizations that utilize temporary workers to supplement critical service areas. Fifty-seven percent place the annual temporary worker turnover rate at between 1 and 25 percent. Twenty-two percent place the annual turnover rate for temporary employees between 26 and 50 percent. Only 7 percent indicate the annual turnover rate for temporary workers is zero, while a small 4 percent place temporary worker turnover above 76 percent.

A key question is whether temporary workers are finding opportunities to be permanent public sector employees. Seventy-seven percent of respondents indicate that between 1 and 25 percent of temporary workers eventually become permanent hires. Only 12 percent of responding organizations report that current temporary workers never transition to permanent employment. Despite the numerous organizations that actively transition temporary workers into permanent positions, the process to accomplish this is largely informal. Only one-quarter (25 percent) of responding organizations have a formal process in place to support the conversion from temporary worker to permanent, full-time employee.

The transition process, or the length of time a temporary worker is with the organization before becoming a permanent employee, can take anywhere from three months to more than 12 months. A further breakdown on the timeline for conversion from temporary worker to permanent employee is illustrated in the table below:

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 month or less</td>
<td>0 percent</td>
</tr>
<tr>
<td>Up to 3 months</td>
<td>11 percent</td>
</tr>
<tr>
<td>4 to 6 months</td>
<td>29 percent</td>
</tr>
<tr>
<td>6 to 12 months</td>
<td>26 percent</td>
</tr>
<tr>
<td>1 year+</td>
<td>34 percent</td>
</tr>
</tbody>
</table>

More than half of respondents indicate this conversion usually happens after an employee has been with the organization for at least six months. It is important to point out that not every temporary worker is a perfect match for the position he or she fills. Temporary workers are often brought in simply to fill a momentary hole in staffing or to work on a specific, but limited, project. While less than a quarter of all responding organizations see no discernable impact from transitioning temporary workers to permanent employees, the majority of respondents experience some benefit from this process. Almost half of respondents (46 percent) indicate that the conversion of temporary workers to full-time workers results in better job placements, and not one respondent reported
a negative outcome in job placements as a result of this method. Thirty-eight percent believe the conversion of temporary workers to permanent employees results in higher-quality employees, with only 5 percent finding conversion results in lower-quality employees. Other responses (11 percent) were positive and indicate that the conversion from temporary to permanent is a reliable method and works particularly well if the temporary worker meets immediate organization needs.

“Given some public sector organizations' reported success at converting temporary workers to quality full-time employees, it might behoove other organizations to consider establishing formal ‘temp-to-hire’ programs,” said Glenn Davidson, managing director of Public Sector for EquaTerra. “These tools do not replace or lessen the need for an effective recruiting plan or retention strategies.”

Measuring Recruiting and Staffing Efforts

Performance measurement in HR remains a challenge for public sector organizations. Effective performance measurement relies on accurate and reliable data that is available on a timely basis. For organizations dealing with legacy IT systems or simply lacking applicable capabilities, data may be difficult to obtain or so labor intensive to gather that it limits reporting. At the same time, some organizations may be collecting so much data that they are unsure of what to measure or they end up with measures that mislead or don’t provide an accurate picture of the operation.

Effective performance measures and the information resulting from these measures can aid organizations in a variety of ways. Performance measures can be used to evaluate strategies or methods to determine if the desired outcome is being reached. Performance measures also can provide important evidence on the challenges or difficulties HR is experiencing. Without accurate and reliable information, it is difficult to make a credible case for more staff, funding or resources, such as advanced IT systems.

HR performance measures may be grouped into two categories: proactive and reactive measures. Reactive measures are the most common measures used by public sector organizations today and focus on collecting data about an incident after it happens, such as turnover or vacancies. These measures depict the current state of the organization in various areas, such as open positions or volume of applications. Over time, this information can help identify trends or potential problems. Proactive measures, on the other hand, require calculation or additional analysis. But they may provide a view of the overall health of HR and/or specific processes or functions. For example, a measure such as “time to fill” – the average time it takes to fill an open position – can help an organization gauge the efficiency of the steps in the recruitment process. “Cost to fill” is another important measure that is rarely used because of the complexity in calculating the cost to fill a position.

For this study, organizations were asked to indicate what HR measures they employ today. The most common performance measures reported are in the following table:

<table>
<thead>
<tr>
<th>Measure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary turnover</td>
<td>62%</td>
</tr>
<tr>
<td>Vacancy rate</td>
<td>58%</td>
</tr>
<tr>
<td>Volume of applications</td>
<td>54%</td>
</tr>
<tr>
<td>Time to hire</td>
<td>51%</td>
</tr>
<tr>
<td>Size of applicant pool</td>
<td>50%</td>
</tr>
<tr>
<td>Involuntary turnover</td>
<td>50%</td>
</tr>
<tr>
<td>Number of qualified applicants compared to vacancies</td>
<td>37%</td>
</tr>
<tr>
<td>Completion of probation</td>
<td>34%</td>
</tr>
</tbody>
</table>

Measures that require additional data or calculation are more informative for HR but are typically the least commonly available. However, there is promise in these numbers. With more than half of respondents reportedly using all or some of these measures, organizations clearly recognize the value in measuring performance and how this information may inform decisions and planning efforts. Slightly more than half of all respondents (52 percent) indicate that performance measures and benchmarks are incorporated into day-to-day management practice. This is a critical point. Oftentimes measures only appear in quarterly or annual reports but are not incorporated into actual management practice. In this case, it is the HR professionals that are using these measures and the resulting data to improve operations and service delivery and evaluate overall performance.
Today's Applicants

Measurements, such as the size of the applicant pool and number of qualified applicants compared to vacancies, are important to capture so an organization can determine if it is reaching the appropriate individuals and effectively encouraging them to apply. Survey respondents were asked to rank the size of their applicant pool against current vacancies. On a scale of one to five, with one being an inadequate pool and five being a robust pool, the average rank for different position categories are as follows:

<table>
<thead>
<tr>
<th>Position Category</th>
<th>Average Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior executives/leadership positions</td>
<td>2.6</td>
</tr>
<tr>
<td>Middle management</td>
<td>2.8</td>
</tr>
<tr>
<td>Specialists</td>
<td>2.4</td>
</tr>
<tr>
<td>Administrative</td>
<td>3.6</td>
</tr>
</tbody>
</table>

In this case, organizations appear most confident about the size of the applicant pool for administrative positions. Administrative positions are naturally easier to fill than the other categories because of the skills or experience necessary. Many administrative positions may be entry-level or allow for on-the-job training of the new employee. Even so, while 3.6 is high, it is not overwhelmingly positive, which points to increasing competition for any applicant interested in public sector employment.

The applicant pools for leadership and management positions are barely adequate, and for specialists, the applicant pool is even shallower. Small applicant pools mean fewer individuals to choose from when hiring and filling positions. And the size of an applicant pool does not speak to the qualifications or the experience of the actual applicants. Many organizations would argue that it is better to have fewer qualified applicants than a large number of unqualified applicants. On that point, respondents were also asked to describe the overall quality of the applicant pool when compared to current vacancies and to provide a general sense of applicants' qualifications for the positions they seek. On a scale of one to five, with one being low quality and five being high quality, the average ranks for the same categories are as follows:

<table>
<thead>
<tr>
<th>Position Category</th>
<th>Average Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior executives/leadership positions</td>
<td>3.0</td>
</tr>
<tr>
<td>Middle management</td>
<td>3.0</td>
</tr>
<tr>
<td>Specialists</td>
<td>2.9</td>
</tr>
<tr>
<td>Administrative</td>
<td>3.3</td>
</tr>
</tbody>
</table>

The average rankings for applicant pool quality are slightly higher than the average rankings for applicant pool size. Some organizations are getting fewer applicants, but these applicants are more qualified or, at the very least, the quality of the candidates is slightly more consistent. Unfortunately, in either case, organizations find applicant pools and quality to be merely adequate. It would follow that many organizations may be choosing the best applicant available but not necessarily the best person for the job.

“Public sector organizations face clear long-term challenges if they cannot improve the quantity and quality of their applicant pool or change the means through which they undertake their current workload,” said Stan Lepeak, managing director of Research and Knowledge Services for EquaTerra. “They can lower their standards, but that is obviously risky to long-term organizational performance. Alternatively, they can decrease the size of the required applicant pool by improving process efficiency or increasing the automation of work so fewer workers are required to complete tasks. They also can increase the use of third-party resources in lieu of permanent internal staff. Given the aging workforce, demographic shifts that will impact many geographies, and the potential decline of qualified immigrant application pools, organizations must face the fact that growing the applicant quantity, along with quality, will remain an uphill effort.”

The applicant experience is something many organizations must assess in order to understand if their approach or interaction with applicants reflects positively on their organization. Organizations that create a positive applicant experience will gain an advantage over their peers as applicant pools continue to shrink and applicants become more selective. If an applicant has a positive experience but does not receive a job offer, the positive experience may cause the applicant to apply again for a different position. Further, if applicants feel the process is fair and transparent, these feelings can contribute to the organizations’ reputation and cause others to apply.

To better understand the applicant experience, 20 percent of responding organizations regularly collect feedback from applicants. For those organizations regularly collecting feedback, 67 percent provide comment opportunities
for applicants throughout the application and recruiting process. Slightly less than half (48 percent) utilize a new-hire survey, and 41 percent conduct an applicant survey. These methods, specifically the comment opportunities during the applicant process, beg the question of how honest an applicant is likely to be before an employment opportunity is offered. The surveys may provide more reliable information simply because of timing, but new hires are likely to be more positive about the recruiting and application process, because they did in fact get hired. In terms of the common feedback organizations typically receive, 71 percent report comments indicating an effective or efficient process while half (50 percent) find applicants were happy with communication throughout the process. Almost one-third (29 percent) report that applicants believe the process was transparent.

**Information Technology in Recruiting and Staffing**

Information technology can be an important enabling tool in recruiting and staffing. However, IT investments seldom seem to deliver the expected benefits organizations anticipate. IT, itself, cannot fix processes or solve procedural problems. Problems associated with IT investments range from poor implementation to over-customization of applications to investing in systems or solutions that do not fit an organization’s needs.

“Unfortunately, many organizations fail to understand fully their requirements prior to making such investments,” noted Davidson. “As a result, they may over or under buy; that is, they may purchase a Mercedes when only a Buick is needed or, worse yet, they buy a Geo when the performance of a BMW is required.

“They may also fail to make the necessary improvements or changes to their HR processes prior to selecting a specific IT solution or system. With the investment made, processes are then adapted to fit the IT system even if the results are less effective. Finally, if the information entered into a system is inaccurate and unreliable, the output of the system will not prove useful; that is, ‘garbage in, garbage out,’” Davidson added.

Despite these challenges, many public sector organizations find value from incorporating IT applications and systems into their recruiting and staffing efforts, especially in operations with high volumes of applicants and information. When asked to rank the level of use and incorporation of IT in recruiting and staffing processes, using a one-to-five scale with one being low/no incorporation and five being complete incorporation, the average respondent rank was 3.2. Organizations find the incorporation of IT to be adequate but not complete. This ranking may also stem from HR professionals understanding that IT can likely do more but being unsure of how to take advantage of these capabilities.

A common IT tool for recruiting is the automated applicant-tracking system. These systems offer a variety of tools to HR from the tracking and storage of applications to automatic applicant notifications and the scheduling of appointments or interviews. Fifty-seven percent of responding organizations utilize some type of automated applicant-tracking system, software or solution. Organizations cited a wide variety of systems ranging from ERP modules to stand-alone tools. Many of the applications or products being used today were developed specifically for the public sector or government, while some developed their own IT system in-house. Twenty percent of respondents indicate they use an IT solution or system developed in-house for applicant tracking. For those organizations without an automated applicant tracking system already in place, 40 percent plan to implement one in the near future.

The value of an automated applicant-tracking system or similar solution is usually measured by increases in efficiency or speed of the processes. Figure 2 provides a breakdown on the impact of IT in recruiting and staffing.

![Impact of IT in Recruiting & Staffing](image-url)
Almost half of all respondents experienced an improvement in the overall efficiency and speed of the recruiting process with the incorporation of IT. Approximately one-third experienced similar improvements in staffing processes. Automated tools also enable better data collection of skills and competencies, allowing organizations to know more about their workforce. One-quarter of respondents find there has been no change in recruiting or staffing following the implementation of an IT system or solution.

Respondents also were asked to rank the overall value of IT in recruiting and staffing. On a one-to-five scale, with one being low value/little improvement and five being high value/significant improvement, the resulting average rank was 3.7. Organizations definitely recognize value in these systems and see efficiency and quality as key outcomes.

When making investments in IT, public sector organizations often are drawn to products or providers with systems developed specifically for the public sector or government. A public sector focus seems to provide some assurance that the system will meet the organization’s needs. When asked to rank the importance of IT applications or systems being specific to public sector, using a one-to-five scale, with one being not important and five being very important, the average rank was 3.9. This finding echoes the results of previous studies in this research series. When public sector organizations consider providers of outsourced services, experience in and knowledge of the public sector are critical factors in the selection process. Given that many software companies only adapt existing private sector products for the public sector, a system or solution developed specifically for the government environment may be a very attractive option.

The Internet also is becoming a more common tool in recruiting. With more professionals using the Internet to network, seek employment opportunities and circulate resumes, it has become essential for organizations to have an Internet presence. When asked to rank the organization’s overall use of the Internet as a tool in recruiting, using a one-to-five scale, with one being limited use and five being comprehensive use, the average rank was 3.7. Organizations have incorporated the Internet into recruiting efforts in a variety of ways. Seventy-six percent of respondents use the Internet as a communication tool through which applicants can contact HR, ask questions or request additional information. The same percentage (76 percent) of organizations also makes employment applications available for download through the Internet. Only 51 percent of responding organizations allow applicants to actually complete and submit an application online. Twenty-one percent of respondents indicate that applicants may use the Internet to track the status of their applications, while seven percent allow applicants to schedule appointments through the Internet. Other uses (14 percent) include automated notification to applicants and advertising job openings. Less than half of all respondents (44 percent) use a Web-based recruiting tool, such as Monster.com or Careerbuilder.com, as part of their recruiting efforts.

The availability of online applications and the ability to complete and submit applications online are important features for organizations attempting to expand their Web presence and reach more applicants. Forty-two percent of responding organizations indicate that between 1 and 25 percent of applications are received through the Internet. Twenty percent of respondents report that between 26 and 50 percent of all applications are received through the Internet. Twenty-one percent report that more than 76 percent of all applications are received through the Internet. The number of applications received through the Internet obviously is linked to the way in which organizations market online applications and how easy the online application is to complete and submit. Organizations need to compare the results from online applications versus regular hardcopy applications. For example, is the online application more efficient and does it cost less than printing and distributing paper applications? Is the Internet attracting the same types of candidates as the old process and are these applicants more or less qualified? Answering these questions can help an organization determine if the Internet supports their recruiting efforts, while identifying the weaknesses and strengths of this tool.

“Public sector HR groups must recognize that the Internet, similar to related software tools and applications, is not a panacea or silver bullet to improve recruiting,” said Lepeak. “The Internet has become a pervasive tool and means of communicating to many in the ideal demographic group that public sector organizations should target for their next
generation of employees. The creative use of the Internet to attract recruits, as well as highlight an organization’s brand and appeal as an employer, will become increasingly important going forward. It will bring value above and beyond just reducing the costs associated with processing application information."

Becoming an Employer of Choice: Branding in the Public Sector

Public sector organizations must clearly communicate what they do and why they do it to their greater constituencies. This concept is the foundation of an effective branding strategy. Better communication both internally and externally requires a clear articulation of the organization’s responsibilities and standards in operations and service. It also requires answering the all important question – what makes our organization different from others? Improved communication and clarity of purpose and responsibilities can lead to awareness and recognition with citizens, and eventually, with potential applicants.

Branding is a relatively new concept in the public sector. More commonly, it is linked to commercial business and the desire to sell a product. Branding is strategic and often depends on consistency in messaging, communications and standards. This same concept can be applied to public sector organizations seeking to establish themselves as more than just an entity tasked with basic service delivery. Public sector organizations are beginning to recognize the importance of reputation or how the organization is seen through the eyes of a potential employee. Branding is about taking charge of that reputation, defining the benefits of working in a public sector environment and marketing these factors to potential employees. IPMA-HR Executive Director Neil Reichenberg stated that “based on demographics, public sector organizations will be faced with a growing number of vacancies and potentially smaller applicant pools. In such an environment, public sector organizations need to develop innovative strategies to position themselves as desirable employers if they are to compete successfully for the talent that they need.”

Many organizations have already worked on developing a brand, usually around attracting tourism or new business and economic development. In terms of recruiting and staffing, the focus needs to shift to being an employer. Only a quarter of respondents (25 percent) have an employer branding strategy in place. Respondents define the following factors as key components of their branding strategy:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great place to work</td>
<td>76%</td>
</tr>
<tr>
<td>Excellent benefits</td>
<td>70%</td>
</tr>
<tr>
<td>Pride/value in helping people and service the community</td>
<td>68%</td>
</tr>
<tr>
<td>Opportunities for professional development</td>
<td>68%</td>
</tr>
<tr>
<td>Pride/value of working in public service</td>
<td>59%</td>
</tr>
<tr>
<td>Opportunities for advancement</td>
<td>51%</td>
</tr>
<tr>
<td>Job security</td>
<td>38%</td>
</tr>
<tr>
<td>Innovative approach or work environment</td>
<td>35%</td>
</tr>
</tbody>
</table>

None of these components speak to compensation. Organizations understand that they probably cannot compete with the private sector in terms of salaries, bonuses or benefits, but there are motivating factors unique to the public sector that make an organization very attractive to a potential applicant, including pride and satisfaction with the mission or opportunities to gain experience. A successful branding strategy pinpoints these factors and capitalizes on them through targeted communications and marketing. When asked to rank the impact of having a brand strategy on recruiting, using a one-to-five scale, with one being low/no impact and five being high/significant impact, the average rank was 3.6, which is fairly positive. Organizations see value in establishing themselves as employers of choice, and branding is an important tool in reaching potential applicants.

Considering these results and the challenges outlined throughout this report, it would seem logical that more organizations should be interested in developing a brand strategy. “Given the difficulty of competing with the private sector for talent on a compensation basis, it would follow that governments and other not-for-profit organizations might wish to promote the non-monetary benefits of employment in the public sector,” said Davidson. “Among the points to make could be work-life balance, family-friendly policies, flexible work schedules, training programs, tuition reimbursement, and more comprehensive health benefits.”
Unfortunately, interest in or appreciation of the role of branding is not particularly high. Organizations without a current branding strategy were asked to rank their interest in developing one. On a scale of one to five, with one being low/no interest and five being high interest, the average rank was 2.9. This middle-of-the-road score may be due to the fact that many organizations are already involved in activities that are similar to those named by other organizations as key components of their branding strategies. Organizations without a branding strategy were asked to describe what they’re doing to make themselves more attractive to potential applicants. The most common responses included:

- Improved benefits packages
- Developing a branding strategy
- Increased compensation
- Organizational self assessment
- Offering a more flexible schedule or a non-traditional work environment

In addition, several unique approaches are worth noting. One organization has found success in sponsoring “diversity summits,” which are recruiting events designed to highlight opportunities for minorities and women and demonstrate specific benefits available in the public sector. Others indicate that improvements in processes and procedures enable a faster response to applicants, which has improved overall efforts. Many organizations also are focusing on better marketing of the “work/life balance” available through public sector employment. By offering flexible work schedules and non-traditional work environments, public sector organizations often are able to attract professionals more interested in these perquisites than compensation.

**Outsourcing in Recruiting and Staffing**

Outsourcing is a model in which all or moderate-to-significant HR operations are performed and delivered by external service providers. Often, it is not viewed as a viable option for public sector HR. Most of the survey respondents (83 percent) do not outsource any recruiting or staffing-related functions or services at this time. Only 17 percent indicate they are outsourcing HR recruiting or staffing functions or services. Most likely, organizations are utilizing outsourcing for external recruiting and staffing functions rather than internal. Only 6 percent utilize a service provider for internal recruiting or staffing, while 26 percent work with service providers on external recruiting or staffing.

Drug testing is the most likely function to be outsourced, with 52 percent of respondents reporting that they currently outsource drug testing. Testing and screening were other functions commonly outsourced (36 percent), while an additional 36 percent outsource related functions or services, including executive searches and test development. Interestingly, IT was low on the list of areas commonly outsourced. About a quarter of respondents (24 percent) utilize an outsourced Web-based recruiting tool, and 16 percent outsource recruitment or staffing technology. A small 4 percent of respondents outsource database services or related technology, such as an applicant tracking system. Figure 3 demonstrates a further breakdown of these results.
the level of satisfaction within organizations that utilize outsourcing is relatively high. Thirty-two percent of respondents that outsource some recruiting or staffing functions find that recruiting is more efficient and faster following the move to this model. Twenty percent indicate that staffing is more efficient and faster. Thirty-six percent report that outsourcing some recruiting or staffing functions resulted in increased quality in recruits. Sixteen percent report increased quality in job placements. Among the respondents that currently outsource some recruiting or staffing functions, none found this model led to a loss of efficiency or a slow-down in these processes. In addition to increasing efficiency and quality, about a quarter (24 percent) of responding organizations indicate that outsourcing allows for additional data collection of the skills and competencies of applicants and employees. Better information allows HR to be more proactive in both its current activities and future plans. Finally, approximately one-third of respondents (32 percent) indicate they’ve seen no change, positive or negative, after outsourcing HR functions.

Lepeak finds that “the recruitment process outsourcing or RPO market is very dynamic and fast growing. The quality and diversity of the services offered and the service providers in this market have increased significantly over the past five years. While RPO may not be the answer for all public sector organizations, they should minimally do an assessment of the market, its providers and their capabilities and cost levels as part of assessing options to improve internal recruiting and staffing operations.”

**Today’s Challenges and Solutions**

Organizations – be they public or private – often struggle to attract specialists or individuals with very specific experience. Unfortunately, private sector organizations usually have the bigger compensation packages or various perquisites needed to attract the right person. Public sector organizations, therefore, must be more creative and innovative in their recruitment efforts. When asked to rank their ability to hire professionals with specialized skill sets, using a one-to-five scale, with one being low/no ability and five being high/complete ability, the average rank was 3.2. Evidently, even without signing bonuses and six-figure salaries, these organizations are able to attract the employees they need. Inherent in this rank may be the trade-offs public sector organizations are willing to make to hire these individuals. As one respondent described, public sector organizations willingly take the applicants rejected by the private sector. This strategy was cited by multiple organizations. The public sector can often attract less experienced professionals by offering advancement opportunities or the ability to work on a variety of projects or initiatives.

Public sector organizations are adopting a variety of approaches to reach specialists, with the most common being outreach through and relationships with professional associations. Professional organizations allow for immediate access to a broad spectrum of individuals already in the field or industry. Respondents also indicate that specialty Websites, such as those supported or endorsed by professional organizations or particular schools, are valuable in reaching potential candidates, especially those not already living within the jurisdiction. Internships allow organizations to engage individuals still in training or in school prior to entering the workforce. Internships can lead to a smoother transition as the intern moves into a permanent position. Former interns often bring institutional knowledge and organizational understanding gained during the internship to the permanent position.

Recruiting and staffing for public safety positions, as for specialist positions, often pose specific challenges given the strict applicant requirements. First, public safety positions usually require a rigorous background investigation, various screenings and a written exam. Regulations typically disqualify individuals with criminal records or a history of drug use. Many responding organizations indicate it can be difficult to identify and attract candidates that are able to successfully complete the entire battery of tests. Further, it seems that applicants that do meet the requirements and pass the associated tests are often in a position to entertain offers from other organizations and use this as leverage to obtain increased compensation and benefits.

It is common for jurisdictions in one region to compete for the same limited number of applicants for public safety positions, and in turn, drive up compensation rates for these jobs. This situation puts smaller organizations at a
great disadvantage. Faced with a limited applicant pool and increased competition, these smaller organizations, oftentimes the ones with the greatest need, are left with few qualified applicants. It is important to note that a few of the organizations responding to this survey indicate they do not have issues filling public safety positions. Many of these organizations are located in densely populated regions and have better access to potential applicants. In addition, many of these organizations have the ability to attract individuals through higher compensation or better benefits.

The requirements and screenings for public safety employees were developed for a good reason. These individuals are tasked with ensuring the safety and security of the community or jurisdiction. Relaxing these regulations in order to accept more applicants is not the preferred approach. Instead, many organizations are reengineering their recruitment efforts with promising results. Campus recruiting and even high school recruiting were listed as the most effective methods for identifying public safety applicants. High school recruiting was cited as particularly effective due to the stringent requirements for public safety applicants. By reaching individuals in high school, organizations can communicate both the benefits and requirements of public safety positions to potential applicants. Understanding what is required for a future career in public safety may encourage some young people to stay out of trouble and to avoid drugs.

Other successful strategies included informal, word-of-mouth networking and utilizing current employees as recruiters. Both types of outreach engage current employees in the recruiting process with the idea that individuals doing the job on a daily basis are the most qualified to market these positions to others. Further, these current employees are clearly invested in the organization and would likewise be invested in the recruiting process since the new hires would eventually become their colleagues.

Diversity is another area where organizations frequently cite challenges in recruiting and staffing. For many organizations, improved diversity within the workforce is a well-articulated goal and a priority within all recruiting and staffing strategies. When asked to rank the importance of diversity in recruiting and staffing, using a one-to-five scale, with one being low/not important and five being highly important – the overall rank was 4.0. A diverse workforce reflecting the community or jurisdiction the organization serves is an admirable, albeit sometimes challenging, goal.

Organizations also were asked to describe what methods or strategies work well in terms of achieving diversity goals. The most common response was targeted outreach and advertising, especially in terms of expanding marketing efforts outside of traditional tools, such as daily newspapers or employment Websites. Organizations were able to reach additional potential applicants by advertising through specialty publications, local newspapers or magazines and radio. Relationships with local and cultural organizations also helped to diversify applicant pools since applicants were able to get to know the organization, and recruiters were able to share information on job openings in a more timely fashion. Many organizations reported that efforts around improving workforce diversity led them to examine workforce data and jurisdiction demographics. Better information led to a more focused and strategic approach to recruitment, which in turn, resulted in a more diverse applicant pool. Organizations also indicated that an aggressive recruiting policy and the elevation of diversity as a priority helped in their recruiting efforts.

**Conclusion**

Public sector organizations face significant staffing challenges. Many report that they are only adequately staffed. And an increasing number report that they are grossly understaffed in critical areas. HR professionals’ training and expertise must be utilized to the fullest extent in order to address these challenges. HR’s importance to the overall success of an organization should not be underestimated. Furthermore, the constant push to do more with less means that many employees are now wearing more hats in taking on responsibilities outside their core area or scope. All of these issues contribute to the mounting pressure on HR to identify and attract the right person for the right position as quickly as possible. Necessity is the mother of invention, or in this context, the mother of innovation as many responding organizations aptly exemplify in their varied approaches to recruiting. At the same time, the study findings indicate there are things HR could be doing as an organization to see improvements in all HR functions.
Many public sector organizations continue to work without any type of strategic plan for HR, let alone a thoughtful, proactive approach to recruiting and staffing. Much can be inferred from the lack of a guiding plan. Clearly, many organizations are struggling to simply deliver regular services and complete daily transactional activities to keep the organization going. If management does not see HR as providing value or being an asset to the organization, there may be little impetus to take time away from critical activities to complete a formal plan. However, a systematic internal review as part of a planning process is essential to identify what’s working and what’s not in terms of current processes, procedures and services. Business process improvement depends on first understanding the current state and locating areas with potential for improvement.

An effective strategic plan and the priorities and improvements this plan details can drive the collection of more accurate and reliable information. Better information and data will allow HR to act more strategically and have the evidence to justify decisions or new directions. Without a strategic plan, HR may not be collecting the right information or the data necessary to evaluate programs and strategies properly. Numerous organizations cited the strategies or programs that are working well for recruiting and staffing. Further exploration would likely demonstrate that many organizations have only anecdotal evidence on the success of these solutions rather than hard data. Accurate and timely information is essential for organizations looking to move away from certain transactional tasks to more strategic activities.

A branding strategy is another tool that can positively impact recruiting, staffing and other HR functions. Organizations with a branding strategy already in place clearly recognize the power of a brand in recruiting and retaining skilled personnel. Branding is a relatively new concept in the public sector and without visible success stories, public sector organizations may be discounting or completely dismissing the potential benefit of this type of approach. A branding strategy depends on an organization knowing itself and understanding what makes it different from other organizations – again, the focus on better information. A clear majority of responding organizations indicated that they offer potential employees a “great place to work.” Why is the organization such a great place to work? Why is it a better place to work than other organizations, public or private? These are the types of questions a branding strategy should answer through consistent messages about the organization.

The people who make up today’s workforce – how they look for opportunities, what issues are important in deciding to accept a position – are constantly changing. To succeed in attracting the right people and matching them with the right position, HR must adapt to these changes. Before examining recruiting methods and staffing strategies, HR may want to look at its own operation and infrastructure. Improvements there will likely result in broader benefits across the organization.

**Report Scope and Research Methodology**

EquaTerra conducted this research in spring 2007 utilizing an online survey instrument that was distributed to executive and senior-level HR professionals from IPMA-HR member organizations. Over 150 public sector professionals responded to the survey. Seventy-seven percent of all respondents were local government, municipality, city, county or town/township type organizations that serve between one and 499,999 constituents in their jurisdictions or communities. For further information on the demographic breakdown of survey respondents, please see the Appendix section of this report.
Appendix

Responding Organizations

- 22% County
- 12% State
- 54% Municipality
- 4% Other
- 2% Federal

N=162

Figure 4

Size of Organizations by Constituents Receiving Service

- 28% under 10,000 individuals
- 25% 10,000-49,999 individuals
- 24% 50,000-99,999 individuals
- 9% 100,000-499,999 individuals
- 7% 500,000-999,999 individuals
- 1% 1M-3M individuals
- 1% 3M+ individuals

N=160

Figure 5
About the Organizations Responsible for this Report

About International Public Management Association for HR
The International Public Management Association for Human Resources (IPMA-HR) is a non-profit organization representing the interests of over 7,500 human resource professionals, who work primarily in the public sector. IPMA-HR members are employed at all levels of government within the United States and other countries and international organizations. The mission of IPMA-HR is to provide human resource leadership and advocacy, professional development, information and services to enhance organizational and individual performance in the public sector. To further this mission, IPMA-HR provides a wide range of resources, including publications, research, assessment, professional development programs, and certification. IPMA-HR is recognized for providing human resource leadership that makes a difference in the public sector. To learn more about IPMA-HR go to: http://www.ipma-hr.org.

About Adecco
Adecco Government Solutions\textsuperscript{SM} (“AGS”) is the premier partner for comprehensive workforce solutions to government agencies and federal contractors. We specialize in delivering value-added results across integral HR functions, including:

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- Permanent recruitment
- Training
- Consulting
- HRO/RPO
- Outplacement and career services
- Managed services

For more than half a century, AGS has been building customized solutions to effectively manage the unique workforce requirements of the Federal marketplace. Our experienced team brings unparalleled expertise and understanding of the HR environment within the U.S. Government and federal contractors. Working closely with your management team, AGS will develop and implement scalable HR programs tailored to your organizational focus. ADG's best practices and advanced technology are world-class and unsurpassed in the government business.

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For more information on AGS' service offerings, please contact Debora L. Weste at debora.weste@adeccona.com or +1 202 742 6635.

About EquaTerra
EquaTerra sourcing advisors help clients achieve sustainable value in their IT and business processes. With an average of more than 20 years of experience in over 600 global transformation and outsourcing projects, our advisors offer unmatched industry expertise. EquaTerra has in-depth functional knowledge in Finance and Accounting, HR, IT, Procurement and other critical business processes. EquaTerra also has a Public Sector practice focused solely on helping public entities become higher performing organizations. We have advisors throughout North America, Europe and Asia Pacific. Our people are passionate about providing objective, conflict-free advice to our clients, which has fueled our exponential growth over the past three years. We help clients achieve significant cost savings and process improvements with outsourcing, internal transformation and shared services solutions. It is all we do.

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