

NEOGOV

10 TRENDS IN
PUBLIC SECTOR HR FOR

2020 & BEYOND



Key process and technology initiatives that analysts and experts are predicting in the year ahead

What key trends will shape public sector human resources in the coming months and years? This report identifies the drivers that will impact how HR professionals working for government and public organizations will utilize technology, data, and research to steer changes moving forward.

We've compiled the most outstanding and potentially impactful of those trends, as recognized by analysts and thought leaders. These trends run the gamut across hiring, skills development, employee engagement, and more, and have been validated by research and dialogues with public sector professionals across government and higher education.

The private sector tends to adopt trends more rapidly, but the public sector is moving in similar directions, albeit more gradually as resources permit. Trends relating to compensation or incentives have been omitted in light of the limited budgets available to public sector organizations.

1 CONTINUOUS PERFORMANCE MANAGEMENT

Previous generations of workers in both public and private roles have defined their careers via well-defined paths of advancement, moving through a series of positions and titles until reaching their pension age. These typically involved intermittent performance reviews, often only yearly.

However, Millennials – which, as of 2020, will comprise more than half the workforce – seek guided career progression, expect continuous performance feedback from managers and peers, with ongoing opportunities for learning and skills development. This different mindset has huge implications for HR. As more Millennial employees and Gen Z join public sector organizations, HR teams will need to manage or match their expectations, or watch them depart.



Another significant driver causing the shift from annual employee reviews to more frequent and ongoing feedback is the general consensus across employers and employees that delayed feedback is inadequate for changing behavior, especially in today's fast-paced world. So while organizations still recognize the value of performance management, HR leaders have been tasked with rethinking ways to improve employee alignment and provide continual guidance that's relevant to recent work performance.

"As the focus on more consistent feedback and growth-minded coaching increases, the relative ***importance placed on the annual review*** *in many industries is* ***beginning to diminish.***"

-Gartner, *Real-Time Performance Management Needs Continuous Learning*, February 2019

SINGLE-PLATFORM HCM SOLUTIONS

2

Public sector organizations will increasingly choose single platform software solutions that can manage the entire employee lifecycle, versus using individual solutions that don't integrate seamlessly and consume resources in order to make them work together properly.

By creating a seamless flow of data from the date of hire through exit, HR is able to reduce their dependence on integration budgets and IT resources, while eliminating the double (or triple) keying required between a core HR system, learning management solution, and performance management solution.

As the Aberdeen Group pointed out in a study of HR systems, multiple point solutions that don't engage or share data with each other during the development of an employee prove ineffective. Picking a single, fully integrated human capital management solution is now more commonly embraced as the best course to take, even when limited budgets dictate a gradual adding of products within over time. Public sector organizations in particular are purchasing platforms now, with the intent of completing the suite in 2-3 years time.

3

SOFTWARE WITH BAKED IN COMPLIANCE FEATURES

Another trend gathering steam in 2020 is the move toward software solutions that help meet compliance requirements, especially those unique to the public sector.

HR teams are required to enforce organizational compliance, as well as regulatory and statutory. From following Ban-the-Box law requirements in some states, to hiding personally identifiable information (PII blinding) that helps eliminate bias in the screening of applications, to ensuring certifications and licenses across the organization are kept up to date, forward-thinking HR teams are finding ways to better protect their organizations with tools for managers and staffers that limit liability risks.

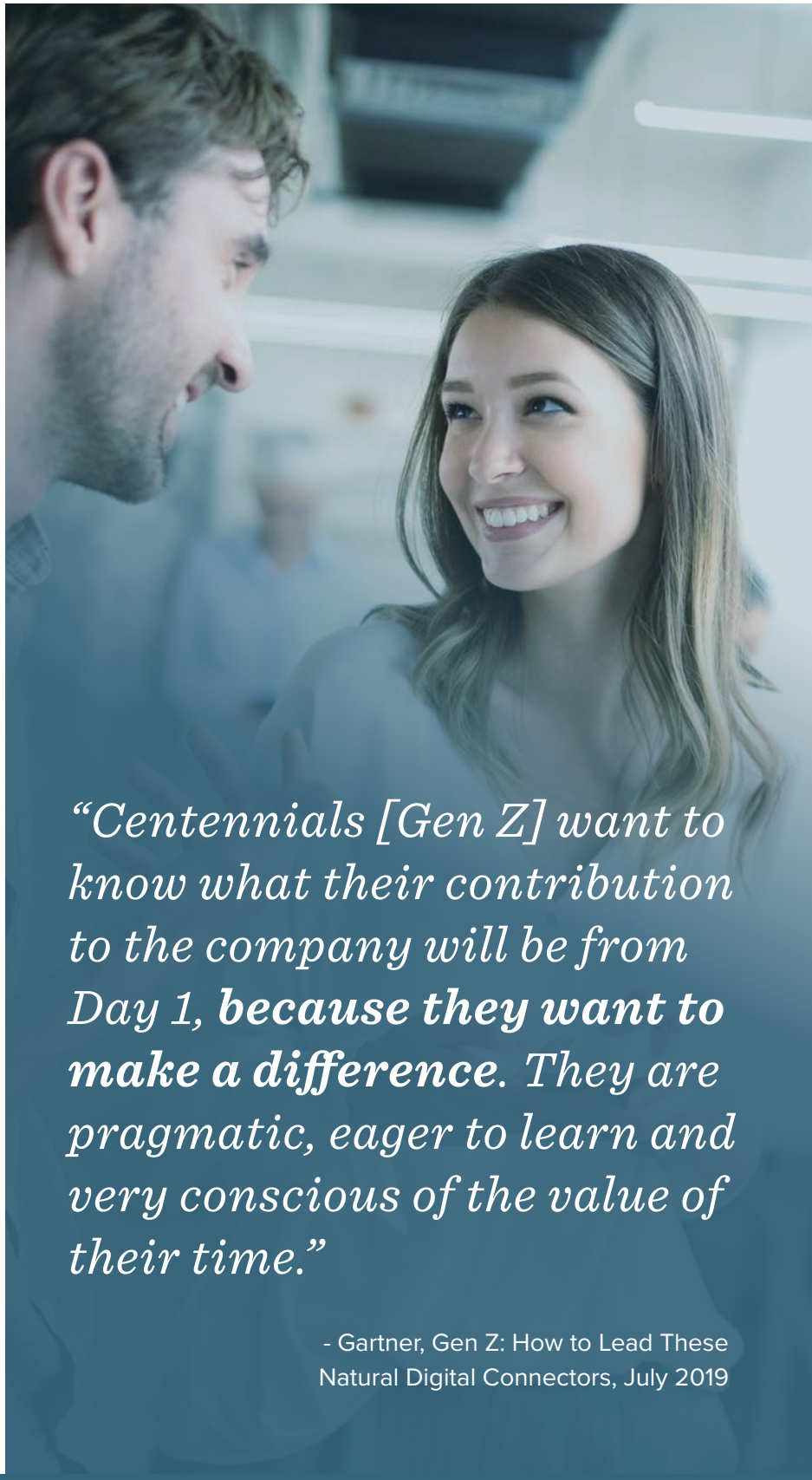
Modern compliance goes beyond traditional requirements, reaching into new realms such as data privacy, health and safety, and societal impact. In safeguarding compliance, public sector organizations will continue the turn toward software solutions which "bake in" compliance features from the start. This delivers a level of proactivity that reduces the problems and costs involved in resolving compliance headaches after they've occurred.

4 DEVELOPING AN EMPLOYER VALUE PROPOSITION

First launched in the private sector due to a shortage of talent, the Employee Value Proposition (EVP) is increasingly being adopted by public sector agencies and organizations. Why? Because they realize the need to differentiate themselves – and thereby attract quality employees, especially of younger generations – by developing messaging that communicates the benefits of working within their organization.

An EVP is a set of values, characteristics, or other attributes ascribed to an organization that are designed to attract new hires. A strong EVP can create a tiebreaker for potential employees, because it leads them to pick one organization over the other because its stated mission, culture, or view of employee development and job satisfaction aligns better with their individual desires and attitudes.

An effective EVP should relate not only what a public sector organization does on a basic, executional level ("we maintain the city's streets") but offer a larger mission about dedication to its community/constituency, and a holistic view of what it's like to work for the organization (flexibility, autonomy, work/life balance, desirable location, etc.).



"Centennials [Gen Z] want to know what their contribution to the company will be from Day 1, ***because they want to make a difference****. They are pragmatic, eager to learn and very conscious of the value of their time."*

- Gartner, Gen Z: How to Lead These Natural Digital Connectors, July 2019

5

CHAMPIONING HR DIGITAL TRANSFORMATION

In 2020, the movement toward replacing paper-based processes with automated digital ones will only gain more momentum in the public sector. It's already been at the forefront of technology initiatives in private sector HR for decades. Now, the pressures on public sector operations to reduce time to hire, improve skills development, increase retention, and satisfy the demands of younger, more digitally savvy employees have made it more urgent.

Whether it's sorting through applicants, onboarding new hires, or managing payroll, using old-line paper-based processes slows HR down considerably and introduces human error into workflows, and limits the scalability of these processes.

A digital platform that allows end-to-end management of an entire employee lifecycle not only provides better HR oversight, but can archive and audit employee records far more reliably. It also aligns with today's workforce expectations for immediate (even 24/7) access to paycheck stubs, benefits details, and professional development tools.



6

SUCCESSION PLANNING

With an increasing number of Baby Boomers hitting retirement age, there's the potential for skill and knowledge gaps to negatively impact public services. As a result, organizations will look for ways to identify future leaders and managers early, so they can be retained and groomed for advancement into positions being vacated by older employees. The experience and insights these departing workers possess has to be accurately passed on to the next generation.

It will depend largely on HR to implement solutions that help recognize skill gap risks across departments, capture the knowledge of retiring workers, and educate current and new employees in the requisite skills.

7 FLEXIBLE LEARNING MANAGEMENT SYSTEMS

There's a growing focus in both the private and public sectors on implementing more user-friendly learning management systems that allow managers to build training courses, tests, and quizzes that measure comprehension of material without having to possess specialized technical skill sets. This accelerates training, reduces costs, and makes it possible to create more personalized training content. It also works well in tandem with another trend, micro-learning.

Micro-learning is the concept of reducing the length of training sessions and the volume of content communicated in each lesson. Information is presented in bite-sized pieces so it can be learned more quickly and accurately, with greater expected retention. The advantages of this approach? It cuts down on the time needed to establish and convey new policies, and reinforce existing ones.



DATA-DRIVEN DECISION-MAKING 8

The analysis of organizational data to build smarter policies, refine operations, and better develop employees has been utilized broadly in the private sector. Analytics can give leaders visibility into issues across the organization, measure the success of diversity and inclusion initiatives, identify resignation drivers, and track time to hire.

Analytics can offer predictive insight into nearly anything in HR management, allowing proactivity and agility to mitigate issues before they happen. In 2020, HR departments in the public sector will look to become more versed in data analysis and seek out HCM suites with built-in analytical tools that make it easy to provide reporting to leadership and stakeholders, whether used to inform or build a case for organizational change.



9

TARGETED RECRUITING

The battle for talent coupled with limited recruiting budgets will lead public sector HR departments to seek applicant tracking solutions that deliver deeper metrics-driven insights as they relate to candidate marketing.

Solutions capable of analyzing historical data to predict both the applicant volume needed to land a qualified hire and the number of applicant submissions that will be received over a given timeframe on a position-specific basis, will enable recruiters to selectively allocate advertising dollars only to positions where shortfalls are expected.

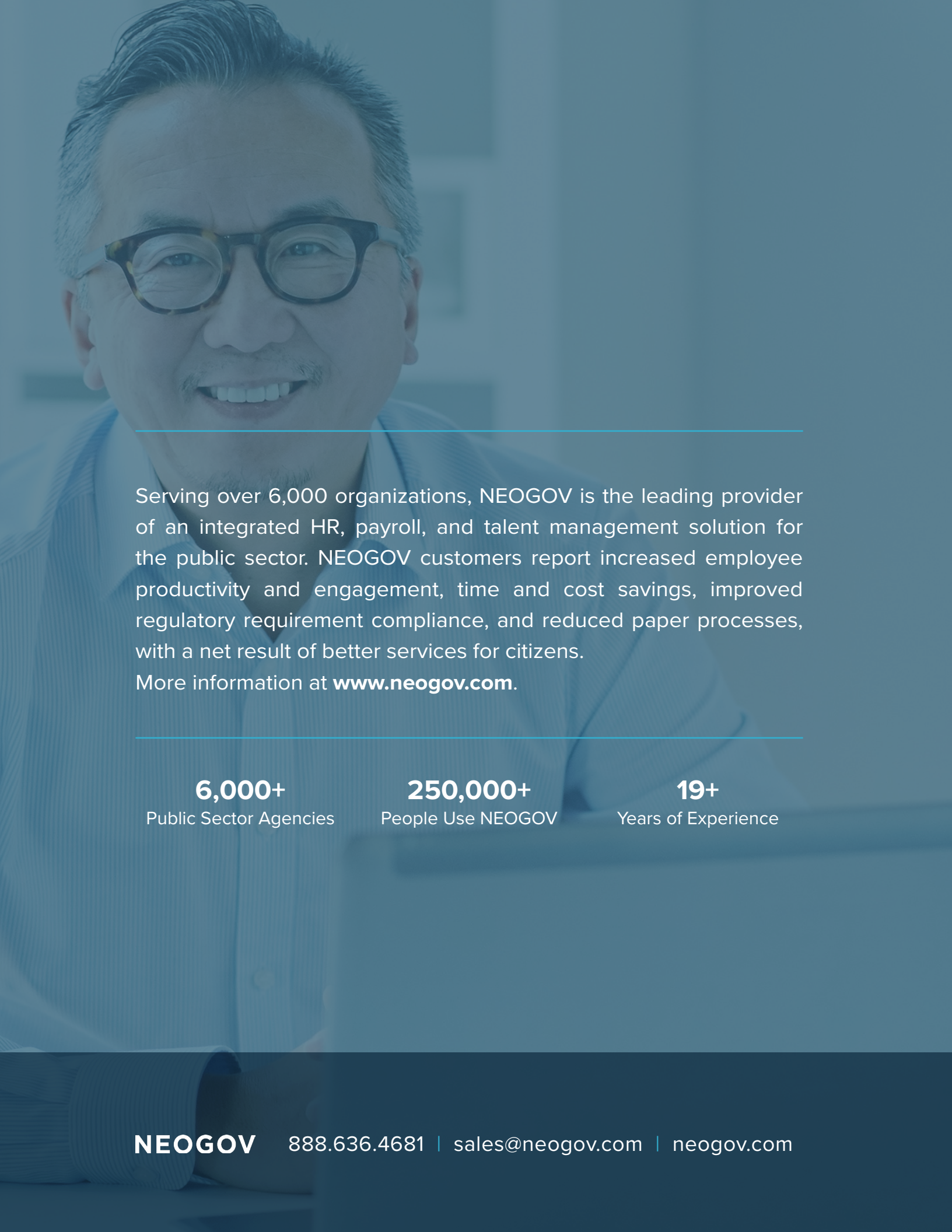
Empowering recruiters to seamlessly push jobs in need of more applicants to multiple job boards directly from their applicant tracking system and access reporting on which channels generate more eligible candidates, will further help organizations optimize their recruiting resources.

10

MODERNIZING CANDIDATE ENGAGEMENT

Millennials and Gen Z are thoroughly digitized, and they expect a potential employer to be just as tech-savvy. The success of public sector recruiting will rely on the ability to meet those employees where they are: on mobile devices, social media, or on other channels outside the laptop/desktop/website paradigm. Tactics like using text messaging to send interview reminders, provide application status updates, and deliver assessment results, and sending electronic offer letters that can be signed and returned with a click will become increasingly central to hiring up-and-coming talent.

Additionally, public sector teams that adopt tools for employees that function in the smartphone environment, demonstrate a commitment to technology in all facets of the organization. This can dispel perceptions by potential hires that the public sector is behind or reluctant to adapt to the future.



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