



INTRODUCTION: DRIVING INNOVATION IN PUBLIC SECTOR DIGITAL JOBS



The public sector continues to struggle to competitively recruit many digital job roles of increasing importance—including full-stack developers, UX designers, AI engineers, analytics translators, and data scientists. Not only is the government sector struggling to acquire emerging digital talent, but it is also on the verge of losing decades of institutional knowledge, expertise, and experience to civil service retirements.

As of 2018, approximately 4.5 times as many civil servants in IT roles were over age 60 than under age 30—a gap that has more than doubled in the past decade.¹

As a result, now is the time to seize the opportunity and reconstruct the civil service as a more agile workforce with a shift toward training, sourcing, and hiring of digital talent, ensuring a robust public sector workforce prepared for the future.

This Public Sector Spotlight will showcase the digital jobs needs of this sector, benefits of a civil service career, and most importantly, the work that is taking shape to close the digital skills gap.

For the purpose of this Spotlight, digital jobs are defined as those that provide information technology (IT) expertise for consumers and businesses to help them establish, maintain, or upgrade their computer systems, networks or software with an emphasis on cloud computing, the collection and storage of big data, and cybersecurity. Additionally, the public sector is defined as being the segment of the economy that is comprised of employment positions at the federal, state and/or the local government agency level.²



What do we know from the data?



In 2022, there were **39,935** job openings classified as IT jobs in the public sector.

This number represents **6%** of **671,019** total job openings in the public sector.

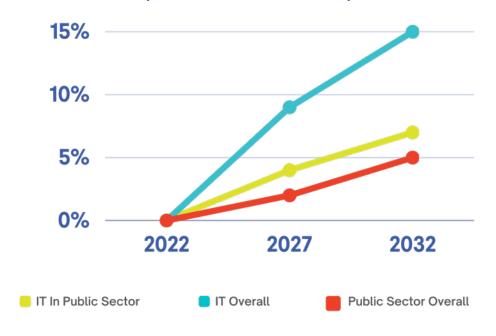


In 2022, there were **3.84 million** job openings classified as IT jobs across all sectors.



Taking a closer look at both sectors, the **39,935** job openings classified as IT jobs in the public sector represent **1%** of the **3.84** million IT openings available across all sectors.

Five- and Ten-Year Employment Projections (based on 2022 data)

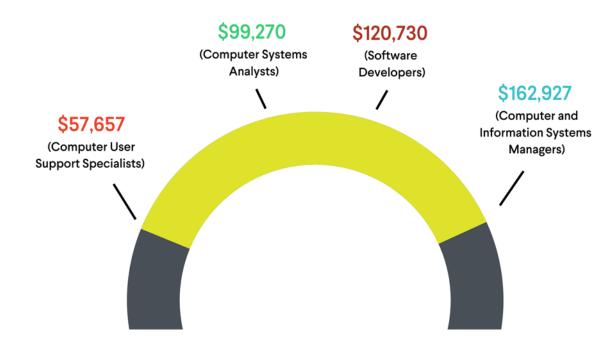


Public sector tech jobs are expected to grow 7% in the next ten years which is much higher than the anticipated growth in the public sector overall.



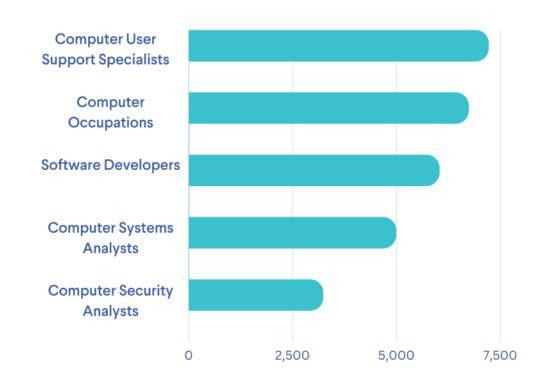
What do we know from the data?

IT Roles Provide Strong Wages



Across the United States, the salary for IT roles is often significantly above regional living wages and tech roles provide strong long-term earning potential.

Most In-Demand Public Sector IT Job Categories Based on Unique Job Postings in 2022



THE PANDEMIC AND DIGITAL JOB ACCELERATION

The COVID-19 pandemic highlighted the need for important government system updates, as well as the rapidly growing role of technology and its ability to facilitate the delivery of essential services to citizens. During the pandemic, traditional in-person activities such as applying for government benefits, attending court appointments, and making payments all transitioned to virtual services.

Despite this rapid transition, the public sector has struggled to acquire individuals with the digital skills necessary to continue to sustain these essential services.

"By bringing the public and private sectors together to create innovative solutions that connect workers to higher-wage jobs, we can help address the systemic barriers to economic mobility while strengthening the public sector workforce." - Abby Marquand, New Profit



In a survey of local government officials and staff, 95% of respondents said their government used software to maintain service delivery during COVID-19, and 76% believed they will adopt more public-facing technologies in the future.³

THREE WAYS TECHNOLOGY TRANSFORMED THE PUBLIC SECTOR DURING THE PANDEMIC

| | Transformation | Example from the Field |
|-----------|--|--|
| Evolve | Transition to remotely delivering traditional inperson services. | United States Social Security Hearing Offices traditioned to using teleconferencing technology (phone/video) to continue services and prevent case backlogs from increasing.4 |
| Establish | Create new functions, strategies, and initiatives to manage and respond to the pandemic. | The Office of Innovation in New Jersey launched a dedicated people centered online platform for sharing real time Covid-19 updates and information with the public, directly responding to the need for live government communication with residents. ⁵ |
| Expand | Diversify the way in which existing services are offered to the public. | The Department of Veteran Affairs adopted Chatbot technology to continue serving 19.5 million veterans virtually with questions related to Covid-19 and VArelated services.6 |



DIGITAL JOBS CURRENT OUTLOOK

At the start of the pandemic, many organizations and businesses rapidly grew their workforce to support urgent IT needs such as the transition to remote work, as well as bolstering e-commerce systems and processes.

Many hoped this growth and acceleration would be permanent and continue after the pandemic, but 2022 introduced concerns of a pending economic downturn that many companies saw as a sign to begin preparing for a potentially challenging next few years. By the end of 2022, 158,951 employees were laid off from 1,035 private sector tech companies.⁷

So where are the tech jobs? Where does skilled tech talent go now? The answer: the public sector.

The public sector is looking to seize the moment and create long-term opportunities for laid-off and emerging tech talent.

For example, the US Department of Veteran Affairs (VA) is on a mission to hire designers, engineers, and cyber talent, hoping to capitalize on the current and future availability of tech talent and positioning the VA as a place where these employees can join and really work to transform the agency into a digital-first organization.⁸

Similarly, with the passing of the Inflation Reduction Act, agencies such as the Internal Revenue Service (IRS) are using the opportunity to rebuild their entire workforce and completely modernize their IT infrastructure, which will require a multi-year hiring initiative.⁹

Despite the prevailing sentiment of a slowing economy, it is clear the demand for IT professionals remains robust across the country, especially within the public sector.



Recent analysis also reveals that 30% of all 2022 tech jobs postings were for positions in emerging technologies, such as artificial intelligence or in roles that require emerging tech skills.¹⁰



Public Sector Jobs Are Quality Jobs 11



JOB SECURITY

Public sector employment is steady and secure; positions are not impacted by external market pressure that often arises during difficult economic times.



BENEFITS

A well-known advantage of working in the public sector is the benefits package, which often includes comprehensive health insurance and retirement and pension plans. In many government agencies, employees can retire after 20 years of full-time service.



PROFESSIONAL DEVELOPMENT

In the public sector, IT professionals have a wide array of careers to choose from, ranging from Help Desk Support to Head of Cybersecurity – there is no shortage of career paths for tech talent. Internal promotion programs and high-quality training & development ensure employees have easy access to internal job opportunities.



PUBLIC SERVICE

The work of government employees impacts the lives of every American, as well as people around the world. Public sector employees play a vital role in addressing important issues, from homelessness to homeland security. Individuals working in government engage in high-impact, purpose and mission-driven work.



NEW SOLUTIONS TO BUILDING A PUBLIC SECTOR STRATEGY FOR TECH TALENT PIPELINES



JFF launched the Public Sector Digital Jobs Innovation Project in spring 2022. Since then, selected grantees have been hard at work designing and strategizing the future of public sector digital jobs in their respective regions.

Public Sector Planning Grant

JFF selected three leading public sector agencies to develop a viable digital jobs strategy. The work of each grantee is unique to their region, in Oklahoma, the Office of Management and Enterprise Services (OMES) is exploring how to integrate industry-recognized digital job credentials for target populations into high-demand public sector digital jobs. In North Carolina, the Office of the Governor is developing and strategizing a statewide apprenticeship program to support public sector IT jobs that will partner with a network of public sector agencies in North Carolina and include positions in all 100 counties. Lastly, in Hampton Roads, VA, the Hampton Roads Workforce Council is working to identify labor challenges that impact the region's public sector and is mapping out existing pathways to these IT-related employment opportunities.









NEW SOLUTIONS TO BUILDING A PUBLIC SECTOR STRATEGY FOR TECH TALENT PIPELINES



Workforce Development Board Digital Skills Pilot Initiative

Launched in March 2023, JFF selected five leading workforce development boards to receive capacity funding to design and launch a pilot initiative to implement either the Google Career Certificates, the IBM SkillsBuild learning platform, or a combination of both platforms for a period of approximately 15 months. Boards will work closely with JFF to design their pilot, taking into consideration recruitment strategies, community, and employer partners, supportive services, key performance indicators, and data collection methods.











PUBLIC SECTOR INNOVATIONS

The public sector is aware of historical challenges to attracting new talent and creating a fulfilling and empowering employee experience, and they have begun implementing innovative solutions that aim to address these challenges. The following slides offer a few examples of efforts currently underway.

Challenge #1: The public sector hiring process is notoriously arduous and lengthy.

Solution: Government agencies can take up to three times longer than the private sector to fill an open position. To retain prospective applicants, some agencies are already piloting new hiring technologies and streamlining onboarding processes to shorten the time it takes to hire and train new staff. An example of this is the Internal Revenue Service (IRS), who requested special authority from the Office of Personnel Management (OPM) to bypass many of the hurdles that typically slow down the hiring process. OPM has granted the IRS permission to make quick hires for 4,500 positions in Operations Support and up to 10,000 Taxpayer Service and Enforcement positions per year through 2027.¹²

Recommendation: To secure top-level IT talent, public sector agencies should continue to explore more streamlined approaches to hiring that decrease the time between job posting and hiring.



Latest Innovation: States like Maryland, Utah and Pennsylvania are also leading the way by removing mandatory degree requirements for many state jobs, creating a new opportunity to attract more high-quality and skilled talent for public sector roles by emphasizing the value of skill-based credentials. 15

PUBLIC SECTOR INNOVATIONS

Challenge #2: The public sector continues to rely on outdated recruitment methods and stagnant talent pipelines for attracting new workers.

Solution: To attract top talent, public sector organizations must be creative in expanding their reach as an employer. Standard hiring strategies are no longer sufficient. The US Office of Personnel Management (OPM) is aware of the need to refresh recruitment methods and hosted the first-of-its-kind Tech to Gov virtual career fair in January 2023. In addition, OPM also launched a dedicated tech talent job board http://tech.usajobs.gov/ to centralize federal IT job postings and help candidates identify and explore open positions.¹³

Recommendation: Public Sector Planning Grantees are exploring a variety of creative strategies to diversify the applicant pool and attract new talent interested in applying to digital job openings in government. By building on approaches like these below, the public sector can continue to develop a more robust pipeline of tech talent.

- Work-based learning: One approach focuses on utilizing tailored work-based learning models to
 create exempt positions that do not require the standard civil service classification, which would
 eliminate the need for lengthy, complex hiring processes for these positions.
- Legislation: Looking longer term, agencies have also begun convening stakeholders to identify and
 propose necessary legislative changes that would allow public sector entities to more easily hire local
 talent as demand continues to grow.



PUBLIC SECTOR INNOVATIONS

Challenge #3: The public sector lags in supporting flexible and remote work structures.

Solution: In June 2021, the White House announced that federal agencies would begin offering employees more flexible and remote work options. This shift resulted in a variety of opportunities for both workers and agencies. Public sector jobs became a more attractive option for workers residing outside city centers and for agencies struggling to recruit qualified workers to fill vacant positions, talent pools became larger and more diverse.¹⁴

The need for more remote positions and flexible work arrangements is also directly acknowledged by public sector planning grantees. Many sites have noted the growth of remote positions, which has enabled the public sector to attract more skilled tech talent, while also creating a significant opportunity to expand hiring into new regions, such as rural communities across the country. Employees no longer need to reside in major metro areas or completely relocate for government employment opportunities. The expansion of remote work opportunities allows the public sector to play a direct role in diversifying their talent pools, increasing earnings for individuals and families, and closing the digital skills gap across a region.

Recommendation: Public sector agencies should continue to expand remote and hybrid opportunities for roles – such as those in IT – that can effectively be done in a virtual environment.





Stay Connected for Project Updates!



The Public Sector team will be releasing a series of resources highlighting this work beginning March 2023.



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Don't miss an opportunity to learn more about this work.
Subscribe to our mailing list for updates.



To learn more about the Public Sector Digital Jobs Innovation Project, <u>visit our website</u>.



Join us in person in New Orleans this June for Horizons to learn more about this work and other exciting initiatives.



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