

Don't Shut the Door on Your Way Out Stopping the Threat to City Operations Posed by the Aging Municipal Workforce

BY BETHANY RUBIN HENDERSON

The perfect storm in city government has long been brewing, and it can no longer be ignored. Tens of thousands of baby boomers who make up the invaluable knowledge base of municipal operations are at or reaching retirement age just as cities are becoming more populated and their problems more complex. Yet educated, idealistic young people, seeking meaningful work experiences, are not even considering government work. Rather, many are abandoning their home cities, even though their enthusiasm and skills can make a difference there. Thus, just as cities are most in need of new talent, it is increasingly difficult for them to find young, highly educated workers to join the municipal managerial ranks. Without intervention, the future of America's cities looks grim.

City Halls Are Graying

There is no question that city halls are graying. Recent surveys by government agencies and advisory groups such as the Council for Excellence in Government, CPS Human Resource Services (CPS), and the International City/County Management Association (ICMA) have found that the majority of government managers will retire or be eligible for retirement in the next five to ten years.

The numbers are dramatic. ICMA's 2006 State of the Profession Survey revealed that only 13 percent of professional local government managers today are under forty, while in the early 1970s nearly 71 percent were forty or younger. This phenomenon is playing out in cities large and small across this country. In 2005, CPS conducted an in-depth study of the workforces of sixteen federal, state, and local government entities for its report "Building the Leadership Pipeline," by Mary B. Young. The results demonstrate the need for immediate action. For

example, CPS's research revealed that almost three-quarters of all executive managers, administrative managers, and middle managers in Anaheim, California, would be eligible to retire by 2010. At the same time, CPS found that there is not a large enough candidate pool within the municipal workforce for promotion to those senior positions, primarily because residents are not excited about assuming executive or operations-level management positions in local government. In addition, CPS noted that the budget cuts Anaheim endured in the 1990s resulted in a period of retrenchment in hiring, exacerbating the problem.

The same story is playing out all around the country. For example, CPS found that nearly half of the metropolitan workforce in Plano, Texas, reached retirement eligibility in 2006. Likewise, in Roseville, California, 80 percent of management and supervisory staff were eligible for retirement in 2007. CPS's research unearthed similar statistics in other local communities, among them Phoenix, Arizona, and Henrico County, Virginia, while conducting a separate study, *The Aging-and-Retiring Workforce*.

The aging workforce problems in municipal government are reflective of the changes in society as a whole. Using data from the 2000 U.S. Census, the Social Security Administration and the Bureau of Labor Statistics have come up with a sobering analysis. In a 2005 *Chief Learning Officer Magazine* article, Kenneth Kolosh and James J. L'Allier pointed out that these data show that by 2015 the fastest-growing segment of the population in our country will be those older than sixty-five. They also highlighted Social Security Administration data projecting that from 2015 to 2035 the growth rate of this over-sixty-five group will greatly exceed the growth rate of those age twenty to sixty-four.

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The U.S. Census Bureau reached similar conclusions in a 2005 study, which projected that by 2011 the population of those sixty-five and older will “grow faster than the total population in every state” in this country. Likewise, the Bureau of Labor Statistics at the federal Department of Labor predicted in its most recent biannual *Employment Projections* that the number of workers fifty-five and older will “grow by 46.7 percent, nearly 5.5 times the 8.5 percent growth projected for the labor force overall” between 2006 and 2016 (p. 2).

This tremendous demographic shift is causing serious problems. As Young noted in the 2005 CPS report, the existing and increasingly rapid loss of seasoned employees has “create[d] a new urgency to develop potential successors” (p. 5). The problem is that the pool of potential successors is smaller. The comprehensive report edited by Frank Benest for ICMA, *Preparing the Next Generation: A Guide for Current and Future Local Government Managers*, noted that the aging workforce has already caused a job replacement gap: as of 2006, the U.S. economy had 151 million jobs, but only 141 million workers. Compounding this problem is that today's young people are much less interested in working in government than the generation that is retiring.

A 2004 survey of seventeen-to-twenty-four-year-olds by the Council for Excellence in Government reported that only one-third of that age group found a career in government appealing, and more than one-third definitively stated a government career

was not at all appealing. Furthermore, only 19 percent of that age group were very likely or extremely likely to consider working in local government. Similarly, a 2004 study cosponsored by the Center for Information and Research on Civic Learning and Engagement and written by Anne Greenberg found that eighteen-to-twenty-five-year-olds are far less likely to participate in political activity than their elders. The study characterized this age group as particularly “distinct in its disengagement from political life” (p. 25). Such data demonstrate not only that the existing talent pool within local governments is too small to fill the void being left by retirees but also that there is a serious lack of new talent entering local government to fill the positions being vacated.

The Needs of America's Cities Are Growing

The aging of current leaders and lack of next-generation leaders comes at a particularly critical time for city governments. In “Six Ways Cities Can Reach Their Economic Potential,” a report commissioned by Living Cities, Bruce Katz of the Brookings Institution revealed that America's urban centers are in a period of flux, both economically and demographically. Robert Puentes, also of the Brookings Institution, predicted in a 2007 American Public Transportation Association Webinar titled “How We Will Live and Move in 2050: Demographic and Social Trends” that, in the next four decades, the percentage of the population consisting of Caucasians will decline considerably and the black population will remain roughly the same, while the Asian percentage will almost double and Hispanics will increase to 24 percent of the U.S. population, compared to 14 percent in 2005. Not only are racial and geographic demographics shifting but household size is also declining sharply as men and women delay marriage, have fewer children, and live alone. Puentes noted that single-person households have made up the largest increase in household type since 1990. He also predicted that single-person households could double

by 2050 and continue to be the fastest-growing household type, augmenting the market for apartments in urban environments.

These trends will have a marked impact on cities and downtowns. According to Puentes, in 2000 America was 39 percent urban (living in major cities or small metropolitan areas), 39 percent suburban, and 22 percent exurban and rural. Yet Puentes projects that almost 90 percent of Americans will live in metropolitan areas by 2030. Indeed, even without detailed studies we all see anecdotal evidence in our own lives or on the news every day that numerous people, including many baby boomers, are moving from suburbs back into urban environments. This trend places an increased load on cities, which will have to deal with the demands a larger population places on its infrastructure and services.

Two Examples: Houston and San Francisco

Houston and San Francisco exemplify the national trend. Houston, already the fourth-largest city and sixth-largest metropolitan area in the country, and already a metropolis where Caucasians are outnumbered by minorities, faces a population boom and dramatic growth. The Greater Houston Partnership, citing a Woods and Poole 2005 MSA Profile, predicts that Houston's greater metropolitan area will reach 7.4 million people by 2030. In this period of rapid growth, Houston's city government must continue to deliver critical daily services to all those who live in, work in, and visit Houston, including preserving the city's nearly 40,000 acres of green space; offering medical services and regulating health hazards; maintaining the city's water, transportation, and public housing infrastructure; supplying emergency response services; operating public libraries; supporting neighborhood revitalization; ensuring quality K-12 education; and protecting the local environment, among myriad other services. Developing a new generation of informed and skilled local government leaders is critical to Houston's ability to

cope with the strain on its public services and infrastructure that population increases have brought and will continue to bring.

San Francisco, a minority-majority city like Houston, is the second most densely populated U.S. city. Though just under three-quarters of a million people live in the City and County of San Francisco, nearly seven million reside in the nine-county greater San Francisco Bay Area. San Francisco is one of the most trafficked urban areas in the country and a renowned international tourist destination, but it struggles with a crime rate higher than the national average. On January 15, 2008, KCBS news in San Francisco reported that, in 2007, the number of stabbings in the city nearly doubled, and that overall San Francisco saw more homicides in 2007 than in any year since 1995. Meanwhile, San Francisco faces an out-migration of middle-class families due to the high cost of living within the city. This trend is so dire that the city government has stepped in. Among other things, in 2007, the Mayor's Office of Community Development established an African American Out-Migration Task Force to mitigate the flood of African Americans leaving the city and to develop a comprehensive strategy for making San Francisco an attractive locale for African Americans looking to relocate.

The constant strains on municipal government in Houston and San Francisco are exacerbated by the national trends of an aging workforce and the lack of new talent coming in to reinvigorate municipal leadership. Each city has a ready talent pool in its numerous higher education institutions, including both large public universities and elite private colleges. Yet, like cities around the country, their past efforts to entice that local talent to enter city government have tended to be ad hoc and uninspired, in the form of traditional, short-term, part-time internships. Consequently, many of those cities' own brightest college graduates are not being effectively recruited into the public sector, but instead are going to work elsewhere. This brain drain hurts everyone who calls those cities home.

Why Haven't Cities Remedied the Looming Leadership Void?

Local jurisdictions across the country are not acting to fill the impending void for a multitude of inter-related reasons. First, solving the graying of the municipal managerial class is a long-term, behind-the-scenes problem that does not fit neatly within electoral cycles. Local politicians campaign on social and fiscal platforms. Being able to bring young people to work in city government is simply not a campaign issue that energizes voter turnout. Second, budget constraints from economic woes force triaging of budget resources. Although human resource departments in cities have started to look at this issue, as both CPS and ICMA recognize in their respective workforce studies, most lack the financial resources, political capital, or collective will to make massive changes on their own. Finally, civil service codes, union rules, and city hiring processes frequently do not coincide with today's preferred work cycles, which are characterized by relatively rapid hiring processes, shorter-term jobs, rapid advancement, merit-based pay and bonuses, and flexibility.

Why Aren't Highly Skilled, College Educated Young People Joining City Government?

Several recent studies and reports have concluded that there are a number of reasons why today's college-educated youth are shunning government work. First, most young people know little about what government jobs actually entail. Moreover, they perceive government work to be mind-numbing, dead-end, and ineffective. In *Back to School*, the Partnership for Public Service (PPS) found that young people stay away from government jobs in large part because they are unfamiliar with nonelected leadership opportunities and wary of bureaucratic application processes and workplaces. Similarly, when queried by the Council for Excellence in Government for "Within Reach . . . But out of Synch," young people ranked government dramatically lower than the private sector in

its ability to offer competitive pay, a competitive environment, innovation, and creativity, and to attract the best and brightest into its workforce. Although both of these studies focused on federal government, their findings are just as applicable to municipal governments, which have equally complicated structures and application processes.

A second reason young people may not be entering government is that they simply are not being asked to do so. Citing an April 2002 Council for Excellence in Government study, PPS pointed out in its 2005 report "Poll Watch: Public Opinion on Public Service" that 73 percent of eighteen-to-thirty-year-olds say they have never been asked to consider government service.

Third, younger generations place greater emphasis on a balanced lifestyle than do their boomer counterparts, and they do not perceive local government work as offering that balance. In *Preparing the Next Generation*, ICMA found that workers in generations X and Y have decidedly different values from those in the retiring boomer generation. Specifically, ICMA found that many gen Xers and Yers regard government service as leading to an unhealthy and unbalanced lifestyle and perceive boomer chief executives as overly focused on work while at the same time overwhelmed by their jobs. The younger generations considering local government management simply do not see in their predecessors a model for the type of work-life balance they desire.

Fourth, as *Preparing the Next Generation* suggests, the lack of incoming new talent for local government jobs may reflect an antigovernment bias unintentionally caused in part by decades of political candidates campaigning on platforms that rail against big and ineffective government. This sentiment is in stark contrast to earlier eras when America's youth viewed serving in government as an honorable profession, as when President Kennedy actively called on the country's youth to serve through government.

ICMA is not the only organization to perceive this antigovernment sentiment. The Council for Excellence in Government, in a report titled “A Matter of Trust,” demonstrated that since the 1950s there has been a long and sustained trend toward increased mistrust in national government (except in the immediate aftermath of September 11, 2001). Similarly, the 2007 National Leadership Index by S. A. Rosenthal and others from Harvard’s Kennedy School of Government revealed that Americans express only slightly more confidence in local government today than in Congress. This is not encouraging; as the public media remind us almost daily, Americans’ trust in Congress is at an all-time low. As both the ICMA and the Council for Excellence in Government speculate, widespread distrust in government makes it increasingly difficult to convince bright young people with many career options that they can have a fulfilling career in the public sector.

Finally, today’s young people do not equate “public service” with working in government. Rather, as Elizabeth Kellar points out in *Preparing the Next Generation*, they equate public service with nonprofits or community organizations. Data from Brookings Institution surveys of college students, reported by PPS Poll Watch, underscore this conclusion; only 29 percent of college seniors surveyed in May 2003 unequivocally agreed that working for government was a form of public service. In fact, college seniors surveyed for ICMA ranked government well below the nonprofit sector when asked if they thought each sector’s decisions were fair (48 percent versus 74 percent). Furthermore, those same college seniors ranked government much lower than nonprofits when asked if each sector was a place where you could help people. Similarly, whereas 44 percent of college seniors polled by the Brookings Institution in May 2002 had confidence in nonprofits’ ability to serve the public good, only 6 percent had confidence in government’s ability to do the same. Unsurprisingly, the Council for Excellence in Government’s 2004 report *Calling Young People to Government Service* found that even the in-

creased interest among seventeen-to-twenty-four-year-olds in taking jobs that help people had not translated into an interest in government service.

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A Solution for Ending the Local Government Leadership Crisis

Solving this crisis is not impossible. It simply requires reimagining how to engage college graduates in solving municipal problems. In *Preparing the Next Generation*, ICMA concludes that the most effective ways to build the municipal talent base and overcome bias against government service are to raise awareness of opportunities in local government, market the positive aspects of government service, remove bureaucratic hurdles to entering and progressing within local government, and enable talented young people to have a meaningful firsthand experience inside local government early in their career. Notably, the ICMA found that, next to the serendipitous timing of a job opening, most current professional city managers chose a local government career because of a meaningful internship experience. However, it also discovered that a common complaint among aspiring city managers was that gaining adequate experience was a significant obstacle.

The success of organizations such as Teach for America confirms that, given the right opportunity, top recent college graduates will not only consider, but vigorously compete for, the chance to spend the formative portion of their professional lives working on issues plaguing their communities. I believe that if the next generation is approached in a way that resonates with them, and is offered an opportunity to work in a way that they feel enables them to directly contribute and have an immediate and discernable

impact, they will be much more likely to consider and seek out professional opportunities in municipal government as well.

To test this, last year I launched City Hall Fellows, a nonpartisan 501(c)(3). City Hall Fellows (CHF) combines the recognizable national service corps model made popular among college students by Teach for America, the opportunity to work full-time for one year within the highest levels of a city government, and intensive training on effective municipal leadership. CHF's program and strategy incorporate many of the approaches for developing new leaders recommended by the Partnership for Public Service, CPS, ICMA, and the Council for Excellence in Government. Because community priorities, civic infrastructure, and political pressures vary greatly from city to city, the CHF program is intentionally flexible enough to be adapted to any city (or county or regional) government environment. Moreover, to increase the odds that our fellows will devote more than just their fellowship year to the problems plaguing their host city, CHF places fellows in communities where they have preexisting personal ties.

The basic concept for the CHF program is simple. Fellows are grouped in cohorts of approximately ten or more within a CHF partner city. The fellowship starts off with a three-week orientation designed and run by CHF, which grounds fellows in the cultural, social, and political history of their host city and prepares them for the fellowship year. Thereafter, each fellow works 4.5 days per week as a special project assistant to a senior city administrator or official. They are matched to departments within their host city on the basis of the city's needs and the fellow's skills.

During the other half-day each week, fellows participate in an intensive Civic Leadership Development Program designed and run by CHF. Specifically, through readings; site visits; meetings with city officials, policymakers, policy influencers, and community members; and seminars led by local subject

matter experts, the Civic Leadership Development Program teaches City Hall Fellows about the history, politics, mechanics, and functions of local governance through the lens of their host city. It also teaches fellows how to design effective public policy, navigate obstacles to solving municipal issues, and be effective civic leaders. By integrating fellows' hands-on work experience with this structured leadership training, fellows get a firsthand experience in what it takes to run a city, in-depth comprehension of why well-run city governments are integral to our society, and the tools and network connections necessary to become strong public leaders. Cities get a steady influx of new talent and energy and a quality work product from bright, motivated people.

CHF has already had great success in attracting top recent college graduates to consider city government. Through inexpensive grassroots marketing activities, CHF persuaded more than four hundred college seniors and recent college graduates to apply for its twenty inaugural class positions—ten in Houston and ten in San Francisco. The overwhelming demand from applicants all around the country demonstrates that CHF strikes a strong chord with today's college students.

Our applicants came from a variety of racial, ethnic, and socioeconomic backgrounds. Nearly half of our applicants were minorities, with the bulk of them split almost evenly among black, Asian or South Asian, and Latino/Latina. Nearly a third were first-generation college students. Represented in the applicant pool were most of the Ivy League campuses; many elite private colleges and universities such as Stanford, Pomona, Amherst, and Williams; numerous large public institutions (including a sizeable percentage of the University of California, California State, Texas State, and University of Texas system campuses); and many historically black colleges and universities, among others. Furthermore, the CHF program did not appeal just to those who had studied political science, government, or public policy, although those

majors were well represented in the applicant pool. CHF applicants also majored in everything from sociology to economics, management, international relations, environmental studies, computer science, and biology.

City Hall Fellows' applicants were not just diverse; they were the kind of candidates any company would want to hire. A sizeable percentage belonged to one or more honor societies, such as Phi Beta Kappa or Golden Key International Honor Society. Our applicants' accomplishments ran the gamut from having published an article in a national law review to being the head of a campus's student government, and to being decorated college athletes, starting social movements or community groups on their campuses, and earning Fulbright scholarships. Many of our applicants had dual majors or were already working toward a master's degree, and a sizeable percentage had a GPA of 3.5 and above. A large number had studied abroad. Finally, our applicants showed a strong commitment to community service. In addition to volunteering in and around their campus and hometown, a sizeable percentage had spent time volunteering in Gulf Coast communities following Hurricanes Katrina and Rita.

CHF's success shows that cities can avert a looming leadership crisis if they plan and act now. The number and diversity of CHF's inaugural-year applicants proves that top college graduates of all majors and backgrounds will enter municipal government if made aware of how they can have a direct impact on their communities in city jobs and if given the right incentives, such as leadership training and regular opportunities for professional development and networking. Cities do not have to reallocate strained resources to offer such incentives on their own. Rather, any city can exponentially increase its success in attracting and retaining educated young people by working in concert with a national organization such as CHF, which has proven it can interest top college graduates in working in local government.

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Engaging even a relatively small number of recent college graduates in municipal issues each year can secure the future of city governments because where talent goes, talent follows. A regular influx of top new talent will create a snowball effect that influences not only the culture and demographics of the municipal workforce but also the public's perception of city government as a career choice and the caliber of people choosing to work for cities. As a result, getting top new talent in the door will keep our cities running and help transform municipal government to be more efficient and more effective. This is a goal every city leader and every citizen can support.

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Bethany Rubin Henderson is responsible for all day-to-day operations of City Hall Fellows.
