



**Gallagher**

Insurance | Risk Management | Consulting

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# **PUBLIC ENTITY**

**— 2024 —  
WORKFORCE  
TRENDS  
REPORT  
SERIES**

Findings and insights from the 2024 Benefits Strategy & Benchmarking Survey

US EDITION

A worker in a bright orange uniform and cap stands at the back of a white truck, looking into its open compartment. The truck is parked on a city street with other vehicles and buildings in the background. A semi-transparent white box containing a table of contents is overlaid on the right side of the image.

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# Introduction

Strategic foresight and innovation are required to address the benefit needs of first responders and government agencies. Familiar challenges within the public sector include department silos, tensions between elected and appointed positions, economic pressures, and generational differences. But dynamic solutions are up to the task of meeting them effectively.

Wellbeing is at the center of **Gallagher Better Works<sup>SM</sup>**, our comprehensive approach that aligns your people strategy with your overall business goals. It focuses on the full spectrum of organizational wellbeing — taking a strategic approach to investing in employee wellbeing at the right cost structures to support diverse workforce needs.

Part of our Workforce Trends Report Series, this addendum highlights key findings and implications based on 237 public entities that participated in our 2024 Benefits Strategy & Benchmarking Survey. From broad insights to specific findings, you'll gain a practical perspective on trends and best practices to help you face your future with confidence.



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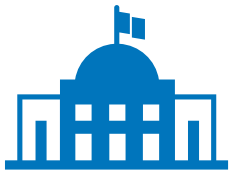


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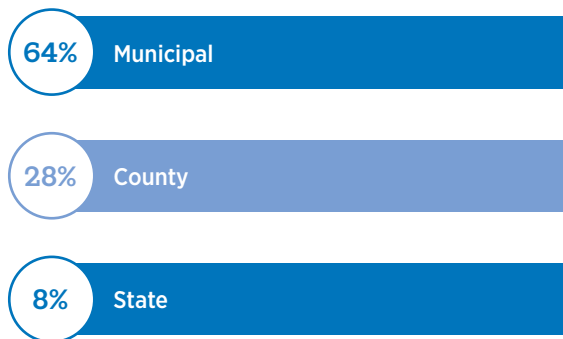


# Benefits Strategy & Benchmarking Survey Public Entity Participant Profile

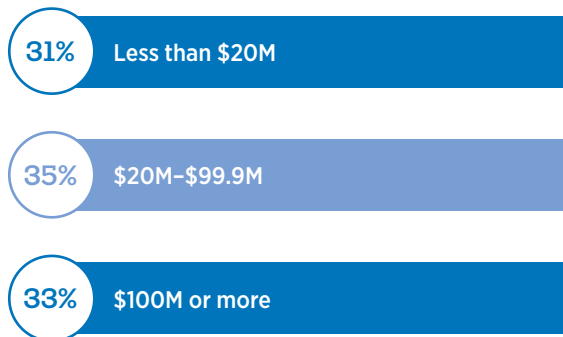


**237**  
Public entities

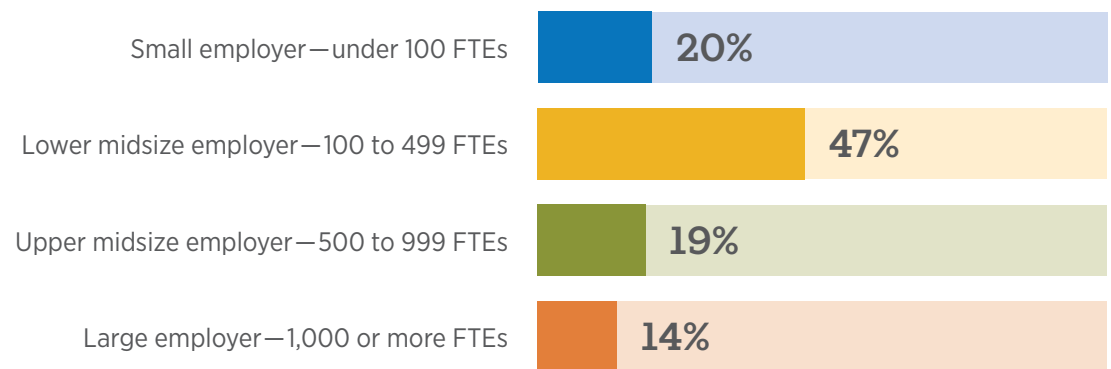
## Type of public entity



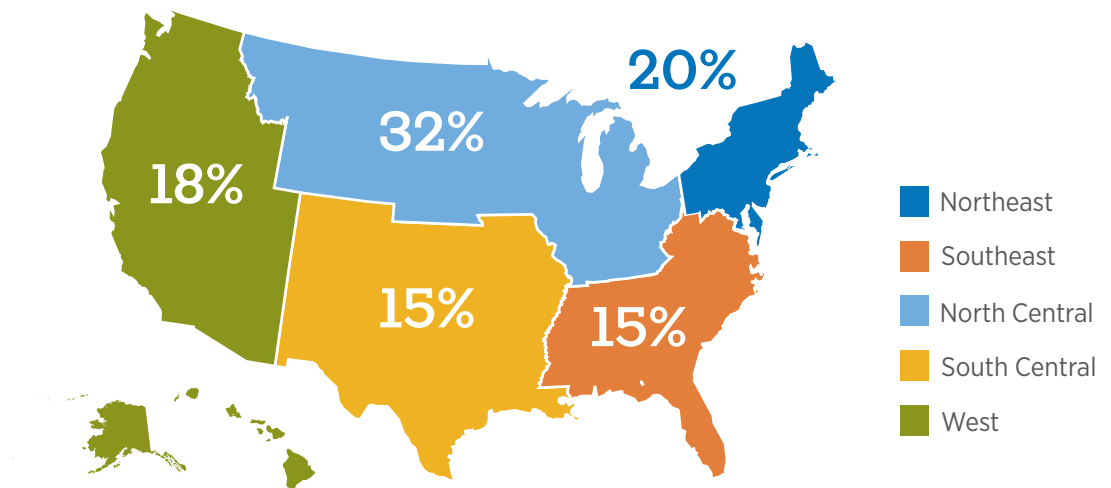
## Annual operating revenue



## Workforce size — full-time equivalents (FTEs)



## Geography



# Key Takeaways for Public Entity Employers

## Organizational Wellbeing



Coordinated use of technology can enhance operational efficiencies and improve the digital experience for employees.

## Physical & Emotional Wellbeing



Providing support for easy access to resources and services promotes employees' mental health and emotional wellbeing.

## Career Wellbeing



Skill-building, along with a focus on communication and inclusion, helps to increase employees' career satisfaction.

## Financial Wellbeing



Offering dedicated resources and educational opportunities encourages better spending, savings, and financial stability.

# Organizational Wellbeing

**Coordinated use of manager training and technology can add efficiency and improve the employee experience.**

Management training that equips leaders with practical knowledge, skills, and insights helps them navigate public service complexities more effectively. Leadership capabilities should include strategic decision-making and effective communication. Many public entities also recognize the value of succession planning. This process supports organizational stability by facilitating knowledge transfer and promoting a culture of individual development and overall growth.

HR technologies can help streamline HR management, providing efficiencies and reducing administrative burdens while allowing more time to focus on strategic initiatives. So far, public entity adoption has been relatively slow. Yet the upside can be significant. HR technology helps connect the wellbeing experience across physical, emotional, career, and financial dimensions. When that occurs, employers often realize continuing gains in employee satisfaction and productivity, as well as organizational wellbeing.



### Top HR priorities



Retaining talent

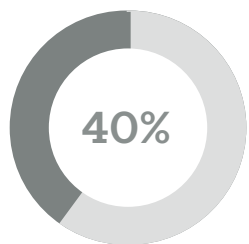


Attracting talent

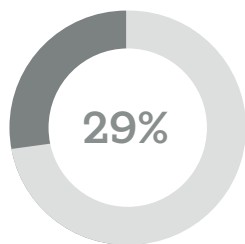


Controlling employee benefit costs

### Take a multi-year approach to planning



Compensation



Benefits

13%

Have a comprehensive HR technology strategy that aligns with organizational strategies

More than

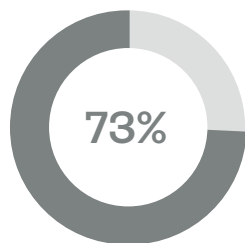
1 in 2

Expect to add and/or upgrade their HR technology solutions by 2026

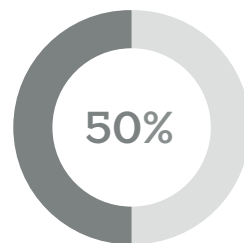
### Actions taken to optimize the organization's HR technology investment



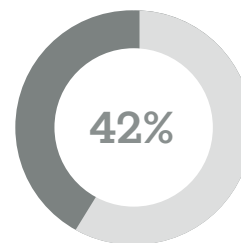
### Wellbeing dimensions that have become more important to the organization in 2024



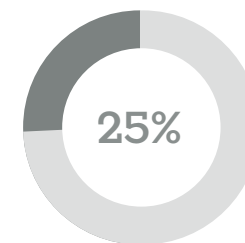
Emotional



Financial



Physical



Career

# Physical & Emotional Wellbeing

Helping employees connect with supportive resources is a key step toward better wellbeing.

When public entities actively manage stress and burnout, higher productivity levels and lower absenteeism rates are likely to follow. Healthcare cost containment may also improve as they recognize the link between culture and retention, and embed organizational values within their wellbeing benefits.

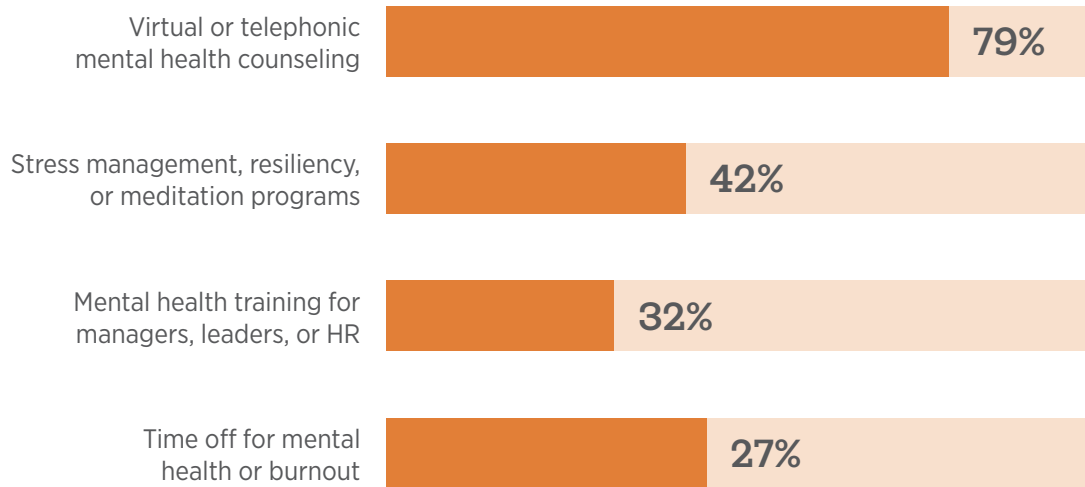
Acute stress and prolonged burnout can occur more often among employees who are critical responders, due to the nature of their jobs. But throughout the public sector, access to adequate and effective support resources helps to safeguard wellbeing — for themselves as well as for those they serve.

Interest and investment in programs that promote health and wellbeing continues, focusing on mental, behavioral, and emotional aspects. Enhanced communication can drive participation. And managers contribute to success by knowing how to discuss employees' concerns in a healthy way and directing them to support resources when desired.





### Common components of emotional wellbeing initiatives



### Top healthcare cost-management challenges



More than  
**1 in 4**

Deploy enhanced mental and behavioral health programming

**58%** Agree leaders are concerned about the impact of stress and burnout on the organization

About  
**2 in 5**

Believe managers are well-equipped to refer employees to mental health support services

**51%** Did not increase employee cost sharing at the most recent renewal

# Career Wellbeing

**Skill building, paired with enhanced communication and inclusion, boosts career satisfaction.**

Standardized personnel policies and a consistent culture are essential to attraction and retention. They also have implications for legal liability and workforce succession.

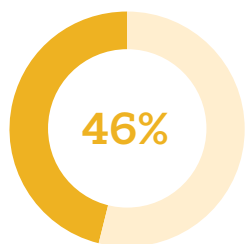
Open, transparent, and effective communication helps create a culture of collaboration across departments by reducing silos. Using selective technology, public entities can also support faster information and resource sharing, breaking down barriers that inhibit cooperation.

Leadership development is important to nurturing a work culture that's inviting for all. From a people management perspective, promoted employees need opportunities to develop the soft skills they require to effectively manage a changing workforce. Policies and practices that establish and promote diversity, equity, and inclusion (DEI) should be paired with initiatives that correct imbalances in these cultural assets. When this commitment helps employees feel respected and appreciated, it often coincides with a lasting competitive advantage.

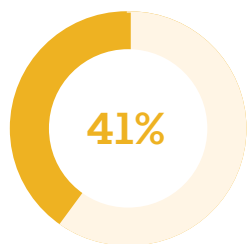


**39%** Believe their workforce is highly engaged

### Tactics used to improve employee engagement



Communicate in a way that fosters trust and confidence



Support employees in developing and pursuing a career path

**2 in 5**

Have conducted a survey to measure employee engagement since 2022

### Focus of DEI training programs



**33%** Report that the key purpose of their current DEI initiatives or strategy is to align with the core values of the organization

### Top components of career wellbeing initiatives



# Financial Wellbeing

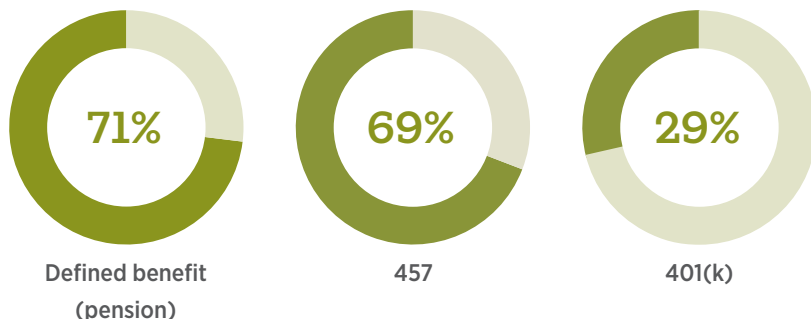
**Dedicated resources and education help prompt smart spending, savings, and financial stability.**

Financial stability has far-reaching effects. Achieving and maintaining this relative balance is a key factor in holistic wellbeing and requires lifelong management and monitoring. When employees gradually build toward this goal, they're often able to reduce financial stress and avoid unwelcome outcomes such as delayed retirement. Many employers offer money management and savings support for this purpose, backed by targeted communication to encourage use.

However, saving and spending challenges often compete, providing another opportunity for financial wellbeing benefits to help employees make better decisions. Public entities are offering enhanced educational resources designed to help enable emergency savings and improve financial stability. Strategies that address savings and investments, using retirement planning resources, complement guidance on managing near-term spending. Together, they help people make more informed decisions, now and in the future.



### Most common active retirement plans offered



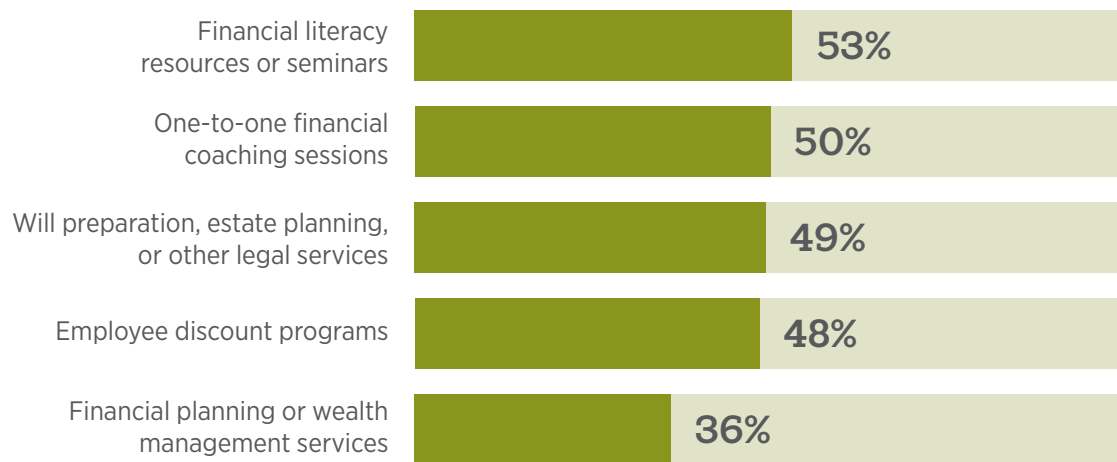
**95%** Have a retirement program

**77%** Offer tuition assistance

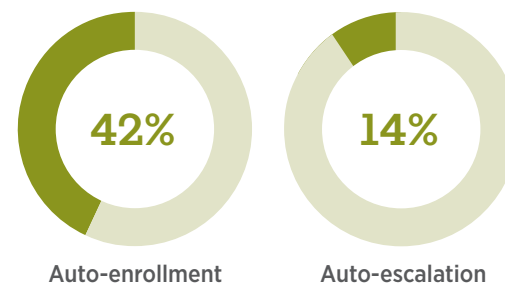
More than  
**2 in 5**

Offer 457(b) plans to key employees

### Top components of financial wellbeing initiatives



### Methods used to promote better savings habits



# Final Remarks

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Economic and organizational pressures have compounded in recent years. Rising healthcare costs impose tighter budget constraints, emphasizing the importance of strategic planning. And higher rates of natural disasters and emergency events increase the use of management resources, restricting pay and benefits. As employers focus on benefits affordability, pro-rata health insurance expenses based on prior year contributions introduce another consideration. However, even in the face of these challenges, forward-looking cost projections are part of a workable solution. They help determine the tax base necessary to pay for healthcare cost increases and plan contribution shifts. Comprehensive strategies can also maximize resources.

Evidence that employees' mental health and emotional wellbeing is linked to organizational wellbeing has only continued to increase. Reviewing personnel policy and providing resources such as time off and employee assistance or mental health services are key, along with training managers to offer proper guidance when needed. To expand employee awareness of available support resources, extending benefit communications beyond enrollment is often helpful.

Employees connect more strongly with the value they provide to their communities when employers cultivate an affinity for the mission of the city, county, school system, or state they serve. Workforce engagement and succession planning are also pivotal areas for development because they establish a sense of community and professional respect within the organization. HR technology is a potential asset too. It has the capacity to drive more efficient work processes when interdepartmental cooperation and proper resource allocation are priorities. With the help of more fully engaged employees and forward-thinking solutions, public sector employers can better meet multi-faceted challenges.

For additional insights and custom benchmarking on the latest trends impacting public entities, contact your local Gallagher consultant or visit [AJG.com/publicsectorbenefits](https://www.nj.gov/ajg/publicsectorbenefits).

# About Gallagher

## Your people are your organization's greatest asset.

But daily hardships — like economic uncertainty, personal and family health concerns, and insufficient resources or staffing at work — can take a toll on your people and leave your business struggling with hindered productivity, heightened disengagement, and strained retention.

That's why every aspect of your benefits and compensation program needs to work in concert to promote overall employee wellbeing. Offering robust medical coverage and a competitive retirement plan isn't enough in today's hyper-competitive labor market.

As employees across all geographies, industries, and employer types navigate the ever-changing world, organizations must critically evaluate their people's experience in the workplace — finding unique ways to engage teams, establish authentic connections, and support employee wellbeing overall.

Doing so can help your business attract top talent, motivate employees, and shift the organizational culture so employees feel differently about their work. When organizations find ways to reduce burnout and increase productivity among their people, business performance can soar.

This is why employee wellbeing is at the center of Gallagher Better Works<sup>SM</sup> — a comprehensive approach for strategically investing in benefits, compensation, retirement, employee communication, and workplace culture so you can support your people's physical and emotional health, financial confidence, and career growth at the right cost structures.

From evaluating the demographics of your workforce to surveying and analyzing competitor trends, Gallagher offers you data-driven insights — allowing you to make the most of your investment in talent, deliver a better people experience, and reduce organizational risk.

Even in times of uncertainty, Gallagher's consultants are here to help you optimize your profitability with a strategy rooted in the wellbeing of your people — so you can face the future with confidence.



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