



Recommendation:
Accelerate the production of diverse housing types throughout the region, particularly deed-restricted Affordable Housing, with a focus on transit-oriented, climate resilient and other smart growth locations.

Strategy 1

Bolster local government’s ability to attract and retain a creative, adaptive, and diverse workforce for the long-term.

Local government must expand their Human Resources capacity to attract and retain a broader range of people from a diverse set of backgrounds. There is a wealth of talent in Greater Boston and there are job opportunities in municipal government for a range of educational backgrounds and skills. There is also an urgent need to address the lack of diversity within the municipal workforce. A 2020 MAPC report showed that the municipal workforce is older and whiter than the communities it serves and that a significant number of current municipal staff are expected to retire within the next 5-10 years.¹ While strategies to attract new staff will help address this shortfall in the short-term, cities and towns also need to consider long-term retention strategies so that new hires will feel welcome, supported, and able to achieve their professional goals within local government. Cities and towns are beginning to increase investments in Diversity, Equity, and Inclusion (DEI) in both external project work and within the workplace. In addition to supporting inclusive public process, DEI practices and policies are essential in order to sustain a workforce that is reflective of the diversity of the region. This challenge presents our region with a unique opportunity to embrace modern strategies to replenish the local government workforce with the skills and creativity that can meet future demands. While the nature of municipal government workplaces varies based on type of government, local leadership, resources, and other factors, there are some common actions cities and towns can pursue to begin to attract and retain new employees from all backgrounds. However, a true transformation of the local government workforce will take leadership at all levels of government and require the guidance and advisement of HR and DEI professionals.

¹ The Diversity Deficit: Municipal Employees in Metro Boston. <https://metrocommon.mapc.org/reports/14>.

- ▶ **Action 1.1: Create more effective pathways to local government.** Pathways to a career in municipal government are not well defined, and for many young professionals, infrequently traveled. Those less familiar with municipal government or those who do not see themselves reflected in the current local government workforce may be less likely to seek out or to pursue opportunities in local government. Municipal Human Resources departments should be more deliberate in publicizing the career opportunities available in local government to interest students and other job seekers, and should do special outreach to people of color.

Community colleges and other higher education institutions can play a significant role in helping to prepare young people for jobs in municipal government and can also work with local municipal leaders to advertise opportunities for municipal employment to students and graduates. Degree or certificate programs can help prepare young people for jobs in municipal government work, especially in high-need areas like municipal finance.

The Commonwealth should also create a paid programs through a partnership between local governments and higher education institutions. The structure of these programs could vary depending on the resources available and the nature of positions that need to be filled, but could include internships, externships, mentorship programs, and apprenticeships. A combination of state, local, and private funds could be used to support such programs, which would help to build lasting interest in municipal work. These programs could serve as a follow-on to efforts in K-12 schools that expose young residents to the many ways the local government helps to shape their community and what it means to work in public service.

- ▶ **Action 1.2 Modernize the municipal hiring process.** The municipal hiring process is highly inconsistent across the region. The highest performing private sector firms prioritize hiring and consider talent acquisition as fundamental to their success. In the municipal sector, broad recruitment, outreach, and advertising is often not a top priority and many cities and towns do not have enough money in their budgets to have full time Human Resources staff.

It can be difficult for non-local job seekers and those with more limited knowledge of careers in local government to find out about municipal openings and this contributes to the lack of diversity among applicants. Many municipalities rely on various professional organizations to list job opportunities, but those postings are typically accessed locally by other municipal workers or lost in a sea of other nationwide postings. In a competitive job market, municipal government needs to be creative in how it reaches and attracts preferred candidates.

Municipalities should have an obligation to hire a workforce that represents the diversity of the region's residents. Modernizing municipal hiring practices should include the adoption of comprehensive hiring plans with a focus on diversity, and should evaluate current residency requirements that are in place in many municipalities across our region. This must also include what DEI strategies will be pursued in order to retain a diverse

workforce. As cities and towns start to implement these plans and evaluate their efforts, they improve transparency and progress.

- ▶ **Action 1.3: Provide competitive, flexible benefits that are valued by today's job seekers.** One of the largest fiscal challenges facing state and local government is unfunded pension and healthcare liabilities for retirees. Massachusetts's unfunded actuarial accrued liability (UAAL) at the state and local level is predicted to outgrow new tax revenue over the next 10 years². Benefit and compensation levels have also not always kept pace with other sectors. This can constrain a municipality's ability to offer competitive benefits to new hires and, in turn, hire the most qualified applicants for open positions.

Most local government agencies have defined benefit retirement packages (pensions) that require decades of service to fully vest. Today's young professionals change positions or employers more frequently than previous generations, reducing the appeal of a pension plan for some younger workers. Flexible retirement benefits that can be easily transferred or taken upon the end of employment are more valued by some young professionals.

Our region's local governments have dozens of different retirement plans. Local autonomy over retirement plans is valued by local leaders and for local unions, but this comes at a price as individual plans can have a higher overhead rate and, at times, worse performance. The Massachusetts State Employees Retirement System (MSERS) retirement is available to all municipalities and, with its size, is able to capitalize on lower non-investment costs. It also allows state/municipal employees to move within Massachusetts public service and continue to accrue the benefits. This greater flexibility could provide a greater incentive for younger workers to consider government service and to stay within the public sector in Massachusetts. To conquer the large growing amount of unfunded pension liability and to provide greater flexibility for our region's public servants, municipalities should consider consolidating their individual pension plans and joining MSERS.

In addition to more flexible retirement benefits, as we have learned during the pandemic, many state and local government positions can be performed effectively from home, an example of one type of flexible work option that is highly valued by younger professionals. Additional policies that should be examined include parental leave policies, flexible sick and vacation time, professional development opportunities, and even commuting benefits. It should be noted that benefits are a mandatory subject for bargaining, and these negotiations can be challenging for cities and towns. Municipalities should work together to identify strategies for maneuvering in an unionized environment to implement these policy changes.

- ▶ **Action 1.4: Increase resources available to cities and towns to establish formal HR departments and attract and retain a more diverse workforce.** Local government is often less likely to implement modern and progressive workplace policies. Local governments need to adopt a culture of continuous improvement and allow their employees to enjoy the benefits of

² The Bay State's Public-Pension Complex: Costly and Unaccountable. Atanasov, PhD with Gregory Sullivan. White Paper No. 168. April 2017. Pioneer Institute.

the modern workplace. This includes fostering a welcoming and inclusive workplace culture. Evaluating, implementing, and proactively improving municipal workplace policies is a critical, yet under-resourced activity for many of region's municipalities, especially for smaller towns. In many small municipal governments, there is no budget for dedicated HR staff, and the Town Manager/Administrator is the lead Human Resources Officer. With the vast responsibilities that a Town Manager already possesses, implementing proactive HR strategies and creating an environment of growth is just one of many competing priorities.

The Commonwealth should establish dedicated resources to support municipalities' efforts to attract and retain a larger and more diverse workforce. First, this should include making resources available to cities and towns that need to establish dedicated HR departments so local governments are able to devise the workforce attraction and retention strategies that are most suitable for their municipalities and workplace culture. In some circumstances, for smaller communities, it may make sense for these departments to serve multiple municipalities. The Commonwealth should also identify an entity to provide cities and towns with guidance on how to attract and retain a diverse workforce through a comprehensive DEI strategy and hiring plan (see Action 1.2). This could include communities of practice for municipal HR professionals to share best practices and identify opportunities for collaboration.

Strategy 2

Invest in information technology (IT) infrastructure to expand service offerings and enable communities to use and share data more effectively.

The use and application of data and information technology tools ranges widely across local government. While this can, in some instances, lead to innovation, many communities across our region have little or no IT staff and are far behind where they should be for IT implementation and deployment. As the importance of IT in providing high-quality public services grows, these inequities should be remedied to enable the whole sector to become more effective and efficient. We must address staff challenges, develop long-term plans for IT investment, and enable IT implementation.

- ▶ **Action 2.1: Establish high speed, publicly owned internet services for municipalities.** Massachusetts is behind the curve in terms of our investment and organization of our physical fiber network. Compared to our neighbors like Connecticut and Rhode Island, our municipalities and schools do not have access to publicly owned high-speed internet. The State of Connecticut established the Connecticut Education Network and over the last 20 years has provided funding and other benefits to connect to the 'Nutmeg Network'. Municipal Government, Higher Education, Public and Private K-12, Libraries, State, and now private business partners have access to

low cost, public internet. Because of this investment, many Connecticut municipalities are better positioned to expand tech tools and improve the way municipal business is conducted.

To ensure that all municipalities and school districts have sufficient IT resources and infrastructure, the Commonwealth of Massachusetts needs to take a leadership role and invest in a high-performance public network. The infrastructure can be leveraged to expand services to communities not served by high performing or affordable internet. For more recommendations on expanding digital accessibility, please see Action 1.3 in **“Make government more participatory and inclusive”**

► **Action 2.2: Create more partnerships and platforms for IT knowledge, sharing, and collaboration.** Local governments are often on their own in determining their IT strategy and direction. Many small municipalities do not have the resources to hire an internal IT staff that can strategically manage their IT infrastructure or expand IT offerings to their residents. Some rely on volunteers while others use expensive managed IT service contracts with third party vendors. These managed IT services vary drastically in quality and can often leave a town with little control over their own IT assets. During the COVID-19 crisis, we saw that the lack of IT knowledge and capacity created impediments to some municipalities’ disaster response efforts. While some towns were well positioned to handle the change to remote working, many others were unable to effectively work from home.

Local government IT professionals and municipal leaders should partner more regularly to explore IT options and learn from each other about what works and what does not. They should share information on the costs of IT services, the performance of vendors, and the value of different tools. This information sharing could be facilitated by neutral parties that do not have a stake in the selection or deployment of certain solutions. Shared platforms for municipal officials to find information on IT costs, performance and value should also be created to help them make informed choices on IT. The Executive Office of Technology Services and Security should consider providing these opportunities for coordination and collaboration for cities and towns.

The lack of resources and IT knowledge continues to severely limit many municipalities’ ability to meet resident needs. Unmet IT needs extend beyond the capacity for towns to support resident-focused tools and enhanced levels of service.

The Commonwealth has offered various grants to expand tech tools and IT spending, but these yearly funds are not enough to support long term infrastructure and staffing needs. The state should leverage new federal recovery funds to prioritize IT investments, and should also encourage

regional efforts where smaller towns partner with larger municipalities to bolster their IT services.

- ▶ **Action 2.3: Move towards a collaborative open-source software procurement model.** Many core government functions rely on expensive and proprietary software platforms that are not easy to reconfigure as municipal needs change. These products come with long-term contracts and significant licensing and maintenance fees.

An alternative to being locked into such products would be to create more open-source software solutions that communities could more readily adapt to their needs. Open-source platforms would allow communities or groups of cities and towns to work together to configure solutions over time and could be built around common standards to enable comparative data analysis. Cities and towns would need support from entities that could help them rewrite the software and could potentially share staff with such skills. Using open-source platforms would enable smaller evolutions of the platforms on a project-by-project basis and innovations could be shared between cities and towns without purchase of costly licenses or unnecessary features.

- ▶ **Action 2.4 Create data standards for municipal departments and functions.** Municipalities capture and report a lot of similar information, but do not use common conventions and descriptions. This makes comparing data and information between communities very difficult. With a strong standardization effort, state entities and municipal governments would be better able to make more informed decisions to address upcoming challenges in an everchanging and increasingly complex world.

The Commonwealth of Massachusetts has attempted to collect standardized municipal budget and revenue data through the Department of Revenue's Division of Local Services (DLS) Schedule A submissions. Each fiscal year municipalities are required to self-report financial information for review. Municipalities self-report their expenses in 54 categories and each category is divided into 4 different expense types. While useful, the information DLS collects is self-reported and municipalities categorize expenses in different ways. This makes it hard to use the data to compare costs and services effectively. Clear data standards for the provision of budget, purchasing, and expense information could address this issue and unlock opportunities for collaboration and service improvement.

The Massachusetts Legislature should create the Office of Data Standards to identify data standardization opportunities and create resources for state government and municipal data standardization. Developing standards for municipal departments to follow in areas such as finance, purchasing, public safety, public works, and planning would aid efforts to assess best practices and evaluate the effectiveness of service provision. Clearer and more standardized municipal data would also allow residents to better understand the services they receive and to participate more knowledgeably in local government activities. With a consistent data standard that is also

- ▶ publicly accessible, residents and third parties could access and organize data effectively and increase government transparency.

Action 2.5: Examine whether privatized services offer good value by comparing performance and cost information across municipal governments.

One of the ways to help local government improve quality of services would be to get a better understanding of how the different services are provided across municipalities. In order to undertake this analysis, the state would need to develop common benchmarks and metrics for evaluation in certain core service areas. In order to understand the relative value of a particular service, cities and towns should weigh the cost of service delivery against the performance of the service.

Local governments should especially do a cost-benefit analysis of those services they have privatized, such as waste collection. Privatization might ultimately prove more costly than building municipal capacity to provide the service in-house. Private services may also not be as accountable to local residents or employ local residents. Municipalities and other government entities have expanded efforts to quantify and showcase the level of service that they provide their residents.

Strategy 3

Catalyze creative collaboration, problem solving, and partnerships within and between municipalities and with other sectors.

Local governments cannot provide all of the services required by their residents, such as anti-poverty programs, public health, and housing stability. Within a city or town, departments can work across boundaries to solve complex problems and rethink who and how they deliver services to address underlying issues and develop solutions for the long-term. Local governments can learn from each other and bring together and lead cross-sectoral coalitions with private and non-profit entities to provide more seamless delivery of services. Creative collaboration is especially needed in areas like health and human services and economic development, where local governments should play a central role in commissioning services from appropriate entities and building the capacity of community-based organizations working with residents to offer services in new and creative ways. Incentives and funding should be directed to local governments (and as professional development to staff) so they can serve in this convening and commissioning role effectively.

- ▶ **Action 3.1: Break down silos within municipal governments.** Like many tiers of government, local government is siloed around fixed and long-structured departments with prescribed and, in some cases, statutory responsibilities. While this enables professionalization and consistency, it does not always lend itself to creative problem solving on issues that no single agency or staff person can possibly resolve themselves. Issues around health, social-economic opportunity, equity, arts and cultural development, environmental resilience, and sustainability are just some of the complex issues that communities are grappling with that require holistic cross-departmental approaches.

While maintaining core expertise, local governments need to hire for, train, and expect staff to be more able and willing to work across silos. Skills in coordination, facilitation, and engagement are particularly needed. Local governments should seek assistance in building their capacity to work in this manner and make it a priority for professional development and technical assistance.

▶ **Action 3.2: Encourage shared learning and inter-municipal partnerships.**

Often the most effective way for local governments to become more creative and adaptable is for them to work together to find solutions. This does not mean they always need to adopt the same solution in each community, but that they work together to explore and compare different approaches and results. This happens in many ways across local government now, whether through professional and membership organizations, or coalitions established around certain grants or programs. However, not all communities invest the same amount of time and resources in such partnerships.

The Commonwealth, professional organizations, regional planning agencies, and other relevant entities should all explore how to build and encourage stronger sub-regional partnerships around the critical issues and challenges facing local governments. Grant programs are often a catalyst for collaboration and partnership between local governments, especially in areas such as public health where grants often require multi-community applications and coalitions to be involved. This model of grantmaking should be expanded to new areas to encourage collaboration, learning, and more impactful results.

▶ **Action 3.3: Direct and commission private and non-profit actors to support municipal priorities.**

Local governments stand at the center of their communities, understand their residents needs, and are more accountable to residents than other levels of government. Even in areas where local government may not offer services directly, such as clinical mental health services, they can play a vital role in commissioning private non-profit, and in some cases for-profit, providers to furnish such services and work alongside municipal officials in supporting residents.

Every community is served by community-based organizations that improve the quality of life for residents. In some cases, municipal leadership or staff do not know the community-based resources available. Local governments should ensure that they understand their community-based assets, inventorying their community-based capacity and considering whether they are underserved in certain areas. This is especially true with health and social services, where communities may be served by a number of organizations but have no relationship with them. Municipal leaders and officials should build relationships with local organization leaders in these sectors, and work to understand how partnerships can be created.

Where communities lack significant community-based capacity, they should work to grow this sector. In some cases, community-based organizations could expand their geographic area of interest. To help

cultivate community-based organizations, municipal staff should prioritize developing community partnerships and commissioning their services, which could also build the capacity of the community-based organizations.

- ▶ **Action 3.4 Enable inter-municipal collaboration to build capacity.** There are several areas of local government that are critically and regularly under-resourced, such as health and human services, energy and climate, or arts and culture. Municipalities often cannot afford to build capacity on their own but could pool resources to support each other.

The Commonwealth of Massachusetts should allocate adequate funds and create financial incentives for new service sharing agreements. Previously funded municipal sharing efforts in public health and public safety were under-resourced. Moving forward, most, if not all grant programs to local governments should make regional partnership a key objective and criterion and offer longer-term funding to enable long-term collaboration to take place. By allocating funds and creating financial incentives for municipalities to create new service sharing agreements, the Commonwealth of Massachusetts would stimulate conversations between municipalities and act as a catalyst for greater collaboration.