



Public Sector Executive Hiring Report 2026

Clarity and insight into our executive search in
Public Sector organizations

Presented by
Ready Set Exec

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RECOMMENDATIONS



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Federal, State, and Local Hiring Trends

Federal employment has declined in recent years, driven by agency budget tightening, organizational reforms, and targeted layoffs. Rather than bulk hiring, the federal government is concentrating recruitment in highly specific mission areas: security, enforcement, and modernization.

New initiatives, including programs aimed at attracting top technology and AI talent, reflect a recognition that modernization requires specialized skills that historically were more common in the private sector. The result is uneven but intentional hiring, where some functions grow while others shrink.

State and local governments, meanwhile, remain the primary engine of public-sector hiring. Education, public safety, health and human services, and general administration continue to drive workforce needs. Many municipalities and school districts are still rebuilding after pandemic staffing losses and addressing service demands driven by population shifts and community expectations.

However, growth is inconsistent. Communities with strong tax bases are expanding services and staff, while fiscally constrained states and municipalities are implementing selective hiring freezes or delaying replacements for non-critical positions. The outcome is a patchwork hiring environment influenced heavily by local economic conditions.





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Forecasting Hiring in 2026

Looking ahead, hiring patterns across government sectors suggest moderate growth with continued volatility.

Local government employment is likely to remain resilient, particularly where demographic changes such as aging populations, require additional services. At the same time, retirements and long-standing vacancies continue to generate replacement demand, especially in education, public health, public safety, and administrative roles.

Federal hiring strategies, by contrast, are expected to stay selective rather than expansive. Agencies are prioritizing technology, cybersecurity, data, and national security roles, often using newer recruitment pathways and incentives. But attrition and controlled staffing levels elsewhere will likely offset some of these gains.

Ultimately, hiring in 2026 will be less about simply filling positions and more about aligning workforce needs with mission priorities; a shift that places new emphasis on talent planning, recruitment strategy, and leadership alignment.





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Wage and Compensation Dynamics

Recent years saw an unusual trend: public-sector wages briefly outpaced private-sector growth as governments worked to remain competitive. That momentum is now moderating as budget pressures return.

Compensation increases remain targeted rather than universal. Many agencies are channeling higher pay into critical roles that have a high level of private sector competition: such as technology, data, engineering, and specialized operations. At the same time, governments are adapting their hiring models. Skills based hiring, reduced degree requirements, and broader candidate pipelines are helping agencies reach talent that might previously have overlooked public service careers. These approaches are reshaping entry paths and creating greater flexibility in how roles are defined and evaluated.

Still, the pressure remains: specialized roles are commanding premium pay, while general roles face tighter salary budgets—an imbalance that can strain internal equity and morale if not managed thoughtfully.





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Sentiment, Talent Challenges, and Workforce Risks

Despite ongoing hiring, many agencies face persistent talent shortages. Retirement waves, delayed succession planning, and competition from private employers continue to challenge workforce stability.

Leaders report difficulty finding candidates with both technical capability and the ability to operate in complex public environments. AI adoption, digital modernization, and evolving service delivery expectations require employees who can adapt quickly.

Worker sentiment reflects this tension. Mission driven professionals remain strongly committed to public impact, but morale can falter in the face of hiring freezes, workload pressures, and slower wage growth. Retention risk rises especially in mid-career and technical roles.

In short, the public sector is no longer competing only on purpose—it must also compete on career trajectory, flexibility, leadership quality, and culture.





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The trends converging in 2026 point to a clear conclusion: Public-sector organizations need more than applicants, they need strategic hiring partners who understand both the mission and the market. Ready Set Exec works alongside municipal, state, and federal organizations to:

- Design hiring strategies aligned to budget realities and mission priorities
- Source and attract executive and leadership talent in education, HR, operations, finance, public safety, and modernization roles
- Identify private-sector leaders who can successfully transition into government environments
- Strengthen recruitment processes, including skills-based evaluation and diversity-aligned outreach
- Support employer brand positioning so agencies can compete effectively for high-demand candidates

2026 Outlook: Key Takeaways

- Hiring will continue—but more strategically than expansively.
- Local governments drive most growth, while federal hiring remains targeted and selective.
- Wages are stabilizing, with premium pay concentrated in specialized roles.
- Talent shortages persist, especially in technology, leadership, and mission-critical areas.
- Partnerships with experienced executive search firms will be increasingly essential to meeting service and modernization goals.





● **INDUSTRY INSIGHTS**

Incentives to attract Public Sector Talent

Financial Incentives

- Hiring / signing bonuses
- Student loan repayment assistance or loan forgiveness support
- Relocation or moving expense reimbursement
- Temporary housing or housing search assistance
- Coverage of certification dues, licensing fees, and continuing legal education (CLE)
- Childcare subsidies or family support stipends
- Accelerated vacation or sick leave accrual
- Retention bonuses tied to length of service
- Reimbursement for professional memberships and legal research tools
- Subsidized transportation or parking allowances

Non-Financial Incentives

- Hybrid or remote work flexibility
- Compressed or alternative workweek schedules
- Professional development, mentorship, and leadership training
- Clear promotion tracks and career ladder opportunities
- Enhanced parental leave and family-friendly policies
- Onsite or partner childcare arrangements
- Wellness programs and mental health support
- Recognition programs and employee engagement initiatives
- Opportunities to participate in policy work or community impact projects
- Relocation support services (community integration, local housing connections)





● RECOMMENDATIONS

It is not without precedent that municipalities can offer incentives to candidates. Here are some case Studies - Municipal Legal Recruitment Incentives

- Green Bay, WI - 4.5-day workweek, 1 remote day/week, PSLF eligibility, city covers bar dues & CLE costs .
- Richmond, CA - Up to \$5,000 relocation assistance for city attorney hires .
- Mason County, WA - \$20,000 hiring bonus + hybrid/remote work option for deputy public defender .
- Spokane County, WA - Up to \$10,000 sign-on bonus for executives/managers, policy-based .
- Travis County, TX - Raised entry-level PD salaries but froze senior raises → caused morale/retention problems (“zero-sum game”) .

Mitigation Strategies to Avoid Equity Issues

- Apply uniformly - Incentives tied to job classes (e.g., all PDs or city attorneys) instead of individuals.
- Transparency - Adopt formal policies/ordinances stating the public purpose of bonuses .
- Service agreements - Require commitment (e.g., 2-3 years) or repayment if leaving early .
- Equity adjustments - Raise entire pay grades or add across-the-board “market adjustments” to prevent new hires from leapfrogging incumbents.
- Non-cash perks - Emphasize hybrid schedules, professional development, bar dues coverage, relocation support, and childcare subsidies to balance incentives .
- Regular reviews - Monitor staff feedback and adjust incentive programs to maintain fairness.



● TRENDS

Public sector trends 2025

Public sector salaries in the United States continue to lag behind the private sector, with federal employees earning about 25% less on average despite slight improvement from previous years. A 2% across-the-board federal pay raise is scheduled for early 2025.

Senior Executive Service (SES) pay bands have been updated, with salaries ranging from \$150,160 to \$225,700 depending on agency systems, capped at the Vice President's salary.

At the state level, governments are increasingly tying raises to inflation, such as Pennsylvania's 3.4% increase for elected officials in 2025.

Some states, like Arkansas, are moving forward with major pay reform plans, allocating significant funds to boost compensation for underpaid and high-demand roles.

The Ready Set Exec Edge

Compensation is not one-size-fits-all. At Ready Set Exec, we help executives prepare for negotiations with data, strategy, and confidence. Our role is to:

- Provide up-to-date market intelligence across industries and geographies.
- Guide executives in evaluating total compensation packages, not just base salary.
- Support hiring leaders in designing competitive, sustainable offers that attract and retain top talent.

Whether you're negotiating your next role or building a team, our mission is to make compensation transparent, strategic, and fair.



● ABOUT US

About Ready Set Exec

We're not recruiters. We're growth enablers.

Ready Set Exec helps scaling organizations find senior leaders who drive real results. From C-Suite to high-impact departmental roles, we deliver not just candidates, but **confidence**. Founded by Patrick Shea and John Pezoulas, we've built teams, scaled companies, and helped over 10,000 people find roles they thrive in.

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