The State of the Multi-State Workforce: Employment Practices and Challenges

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Sponsored by
Presenters

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Outline

- Proportion of institutions hiring out-of-state employees
- Characteristics of out-of-state employees
- Policies and practices in place for out-of-state employees
- Challenges institutions face regarding out-of-state employees
- Clemson University’s experience in employing out-of-state employees
- Discussion: Improving challenges, policies, and procedures
About the Multi-State Workforce Survey

• Collected data on higher ed employees who work and live in a state different from where their institution’s primary campus is located.

• One survey per institution

• 5-minute survey

• Conducted late January 2023

• 331 responding institutions
How common are multi-state workforces in higher ed?
Does your institution have employees (faculty or staff) who both live and work in more than one state?

- Yes: 89.3%
- No: 10.7%

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Why does your institution not employ out-of-state faculty or staff? (Select all that apply).

- Our mission requires an on-campus presence: 48.6%
- Too difficult to navigate/incorporate the employment requirements: 45.7%
- We have a policy against employing out-of-state workers: 34.3%

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Approximately how many employees at your institution live and work outside of the state in which your primary campus is located?
In how many states does your institution employ workers who live and work outside of the state in which your primary campus is located?
Who are the employees who live and work out of state?
2023 Multi-State Workforce Survey

Which types of employees live and work out of state? (Select all that apply.)

- Adjunct/Part-Time Faculty: 74.6%
- Salaried/Exempt Staff: 72.8%
- Full-Time Faculty: 50.2%
- Hourly/Non-Exempt Staff: 32.3%
What policies and practices are in place for employees who live and work out of state?
2023 Multi-State Workforce Survey

Which best describes your institution's policy/practice in recruiting employees who live and work out of state?

Our policy for out-of-state remote workers is...

- **Nonexistent** — out-of-state remote work options are not part of our recruiting strategy.
- **Restricted** — we recruit out-of-state remote workers only for limited positions in which it is difficult to hire in state.
- **Moderate** — we recruit out-of-state remote workers for many positions but only in select departments.
- **Broad** — we recruit out-of-state remote workers for most positions in which remote work is possible.
2023 Multi-State Workforce Survey

Which best describes your institution's policy/practice in hiring employees who live and work out of state?

<table>
<thead>
<tr>
<th>Out-of-state remote options:</th>
<th>Restricted</th>
<th>Moderate</th>
<th>Broad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of Institutions</td>
<td>80.5%</td>
<td>13.2%</td>
<td>6.4%</td>
</tr>
</tbody>
</table>

- **Restricted** — we hire out-of-state remote workers only for limited positions in which it's difficult to hire in-state OR we have retained certain employees who moved out of state after their original hire.
- **Moderate** — we hire out-of-state remote workers for many positions but only in select departments.
- **Broad** — we hire out-of-state remote workers for most positions in which remote work is possible.
2023 Multi-State Workforce Survey

Please indicate in which states your institution avoids hiring.

- California: 22.4%
- New York: 10.9%
- Washington: 7.3%
- Colorado: 7.6%
2023 Multi-State Workforce Survey

How often does your institution...

- Include salary ranges in job postings
- Adjust out-of-state salaries based on location
- Use a consultant or vendor to hire out-of-state employees
- Use a consultant or vendor to manage out-of-state employees

Percentage of Institutions

- Never
- Rarely
- Sometimes
- Always
What challenges do institutions face?
What are some of the challenges your institution faces when hiring employees who live and work out of state? (Select all that apply.)

- State-level employment policies: 65.3%
- Training and onboarding: 33.7%
- Contractual legalities: 22.7%
- Time zone differences: 19.6%
- Technology and software management: 19%
- Cost-of-living salary adjustments: 12.6%
- Communication difficulties: 8.9%
- Providing equal opportunities in search committee process: 6.7%
- Salary disbursement: 6.1%
2023 Multi-State Workforce Survey

Does your institution have a policy in place for employees who live and work out of state?

- **No**: 39.3%
- **No, But a Policy is Being Developed**: 37.8%
- **Yes**: 22.9%

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Clemson University’s Experience
Overview

HR previously presented risks associated with Out of State Work to Senior Leadership

Senior Leadership charged HR with exploring options and opportunities

HR convened a cross-campus workgroup to explore out of state work

Together, we have prepared recommendations for moving forward
Steps to approach future state

- Data and Benchmarking
- Formed a work group to review out of state work options
- Provide recommendations to Senior Leadership (3/6/2023)
- Determine future state for current out of state employees
- Implement process changes for future out of state employees
Data and Benchmarking

HR conducted a survey of some peers to gather data for out-of-state benchmarking.

- Allowing some type of out of state work.
- Reviews on an *ad-hoc* basis.
- Some have adopted policies.
- Some limit based upon geographic location, job duties, or FLSA status.

In addition, our workgroup explored additional out of state work policies and processes used by other schools.
Three options were explored:

1. In-House Management
2. Outsourcing to an Employer of Record
3. Outsourcing Compliance-only Benefits
Recommendations to Senior Leadership

Our recommendation is to proceed with a hybrid approach.
Define and manage “easy” states in-house

- Some states are easier to work with than others because requirements align with SC’s requirements
- Define which states can be managed in-house
- Define any other limitations to in-house management
- Identify resource needs
Outsource complex employment situations

For difficult states or situations to manage, outsourcing is recommended.

Outsourcing allows Clemson risks to be minimized, but Clemson is not the employer.

- Define which employment relationships should be outsourced (geographic location, FLSA status, etc.).
- Will need to conduct an RFP to identify the Employer of Record. Determine if the costs will be paid centrally or passed to the hiring unit.
  - Anticipated costs: Estimated costs to be anywhere from $290-$600+/employee/month.
  - Estimated it to be more than $1M annually for approximately 130 employees.

This options offers fewer risks and maximizes opportunities for employing top talent.
Next Steps — Out-of-State Work

Seek Senior Leadership support for next steps

Explore which states may be “easy” and assess resource needs

Begin standardizing processes for “easy” states; test by moving current employees to the future-state

If approval given, develop RFP for an Employer of Record to manage difficult states and determine if international work will be included

If approved, select Employer of Record and outsource complex employment requests

Develop procedure and inform campus
Have a Question?

Submit questions to our presenters using the Chat.

Contact us at:
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