



Complex Payroll Meets Rising Turnover Costs in State and Local Government

State and local governments face many of the same challenges as private-sector organizations, and they have a few that are uniquely theirs.

For example, public-sector employees are more likely to belong to a union, adding layers of complexity to payroll. State and local agencies are also bracing for retirements in the coming years, with succession planning taking a back seat to other priorities. All this is coming at a time when total turnover costs are reaching new heights.

Public-sector union membership rate

32.2%



Private-sector union membership rate¹

5.9%



46%

Expecting retirements²



61%

Have no succession plan



\$45,000+

Average cost of turnover³

Add to all this the unique compliance requirements and heightened data security needs of state and local agencies, and you have a very specialized set of challenges that legacy systems can't adequately address.

The Workday-native advantage

Legacy systems add complexity and introduce security challenges through file transfers of sensitive employee data. But for state and local governments already using Workday, the right partner can eliminate those challenges.

OneSource Virtual (OSV) delivers payroll, benefits, and accounts payable services directly within your Workday tenant.

For your agency, that means:



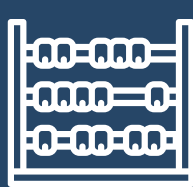
Your data stays in Workday, reducing security risk and keeping you audit-ready

Our team manages the complexity of unionized and multi-tier payroll so yours doesn't have to



Automated, jurisdiction-aware tax filing helps you stay compliant across every local taxing authority

Scalable services adapt to staffing changes from elections, seasonal needs, or emergency response



Tools like earned wage access and digital wallets support employee financial well-being and retention



Real results for state and local agencies



"I would describe our relationship [with OSV] as transformative ... We are no longer spending time following up on cases. We've also reduced time and errors."

- SVP of HR, Atlanta Housing Authority

"OSV has significantly supported our team by enhancing the accuracy and reliability of our tax compliance. Their system ensures payroll taxes are properly calculated, reported, and submitted on schedule. This reduces risk, streamlines our workflow, and allows our team to focus on other critical year-end and payroll functions."

- Payroll and Benefits Administrator, Hamilton County Auditor's Office

Talk to one of our team members to learn how OSV can help your agency simplify payroll, strengthen compliance, and protect your data.



Sources

1. U.S. Bureau of Labor Statistics, "Union Members — 2024," news release USDL-25-0105, January 28, 2025.
2. MissionSquare Research Institute, "2025 State and Local Government Workforce Survey Results," prepared by Gerald Young, July 2025.
3. Express Employment Professionals—Harris Poll, "Half of U.S. Companies Brace for a Turnover Surge in 2026," as reported by HR Dive, February 3, 2026.