

Administrator's Primer:

# ENABLING MILLENNIALS IN GOVERNMENT

Why you need technological innovation  
to attract and empower the next generation of leaders

## Table of Contents

Introduction . . . . .	1
Drive your strategy with technological innovation . . . . .	3
Demonstrate employees' impact on your community . . . . .	6
Simplify Knowledge Transfer . . . . .	9
Enable millennials to collaborate the way they know how . . .	13
Conclusion . . . . .	14

## Introduction

The clock strikes three as Linda walks to the City Manager's meeting room. Linda enters the room sipping a cup of coffee and sits in a padded rolling chair. She fidgets nervously with her notebook, for it's not every day a Finance Director of fifteen years informs the City Manager she plans to retire in six months.

Most governments face two imminent threats to their workforce: experienced baby boomer executives and staff are retiring, and not nearly enough millennials are replacing them. The first problem is unavoidable. However, pension issues aside, mass retirements will cease to be a problem when governments attract, train, and retain millennials.

This is not just an HR issue. Without a new workforce and the knowledge transfer tools necessary to train it, governments will be unable to provide essential services. Elected officials' promises and goals will remain unfulfilled, eroding trust in civic institutions. Governments need to be more functional than ever in the coming years and decades. Crumbling infrastructure, public safety needs, and financial pressures will require coordinated responses and, in many cases, fundamental operational changes.

These transformations will only exacerbate public servants' workloads, for citizens always expect sanitized water, reliable electricity, quality public education, and extra assistance during economic downturns. Imagine grappling with these challenges without a sufficient, experienced workforce.

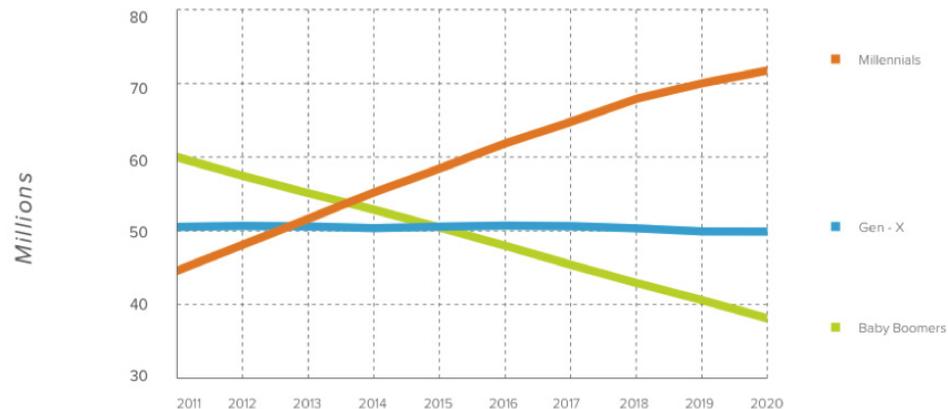
## A baby boomer exodus

After talking for ten minutes, Linda interrupts the City Manager: “It’s getting time for us to start thinking about my retirement. I’m planning to leave around six months from now, and we need to think about finding and training my successor.”

The City Manager leans back in his chair, deep in thought.

These conversations grow more common every year. Since January 2011, 10,000 baby boomers have turned sixty-five every day, fueling an accelerating retirement surge.<sup>1</sup> They leave with decades of accumulated institutional knowledge and experience, exacerbating the problem for governments unable to facilitate knowledge transfer.

**Figure 1. U.S. Labor Force, 2011 - 2020**



Source: Bureau of Labor Statistics and Virtuali analysis

*As baby boomers exit the workforce, millennials will have to fill the gaps and serve as the next generation of government leaders.*

## Millennials and government careers

Linda and the City Manager begin discussing how to find her replacement. Internal prospects aren’t good – layoffs during the recession decimated the Finance Department’s bench of younger workers. From 2002 to 2012, workers aged 55 and over actually increased their share of the labor force by 5% while workers aged 25 to 54 declined by a similar margin.<sup>2</sup> The pair quickly realizes they have to look beyond the city. But prospects are dim there, too.

Only 22% of younger Americans believe a government is a good place to work.<sup>3</sup> Millennials have vastly different attitudes, expectations, and habits. But governments must hire millennials because they are America’s largest generation, numbering around 75 million in 2015, and account for more than a third and growing of the workforce.<sup>4</sup>

Despite these trends, many organizations do not have a millennial strategy. As one Governing article describes, “Budget cuts [during the recession] pushed planning to the backburner.

<sup>1</sup> Cohn, D’Vera, and Paul Taylor. “Baby Boomers Approach 65 – Glumly,” Pew Research Center’s Social Demographic Trends Project. December 20, 2010.

<sup>2</sup> “Labor Force Projections to 2022: The Labor Force Participation Rate Continues to Fall.” U.S. Bureau of Labor Statistics. December 2013

<sup>3</sup> White, Gillian B. “Millennials in Search of a Different Kind of Career.” The Atlantic. June 12, 2015.

<sup>4</sup> Fry, Richard. “This Year, Millennials Will Overtake Baby Boomers.” Pew Research Center’s Social Demographic Trends Project. January 16, 2015.

[...] Younger employees who would have been promoted into the positions of retirement-eligible workers are, in a lot of places, gone. That leaves fewer employees to develop for the positions vital to government work.”<sup>5</sup> Millennials now comprise just 6.6% of the federal workforce, down from 9.1% in 2010.<sup>6</sup>

## A window of opportunity

Demographics and technology present Linda and her City Manager with a unique opportunity to fix the problem and find her successor. For most of the past decade, millennials either preferred to move around from job to job or were too young to join the workforce. Neither trend aligned with a government career. However, as millennials age, emerge from the recession where they faced record unemployment, and prepare to start families, they are likely to desire stable work.

The largest group of millennials – those born in 1990 – reached this key phase in 2015 when they turned twenty-five<sup>7</sup>. Governments can build their workforce by pursuing this opportunity. Time is short for Linda and her city because millennials will find other professions if the public sector does not adapt to their needs.

However, stability alone will not induce millennials to answer calls to public service. Governments need a technology-driven millennial strategy. Specifically, they must deploy new technologies to demonstrate results, redesign knowledge transfer procedures, and encourage collaboration within and between governments.

With this in mind, Linda and her City Manager decide to purchase OpenGov.

## Drive your strategy with technological innovation

Technology defines millennials. Imagine how natural it feels to turn on your TV as you get dressed in the morning or drive your car to work. Millennials are similarly comfortable with communicating over global social networks such as Facebook and accessing information on-demand via mobile Internet. But unlike other recent generations, millennials grew up during an era of rapid technological change. The Internet. Smartphones. Uber. Millennials swiftly adapt to digital transformations – and they are quite good at it.

<sup>5</sup> Kerrigan, Heather. “Government Unprepared for Boomers’ Mass Exodus.” *Governing.com*. December 2012.

<sup>6</sup> Rein, Lisa. “Millennials Working in Government Are at Their Lowest Levels in Five Years, New Report Finds.” *Washington Post*. August 24, 2015.

<sup>7</sup> Delgadillo, Natalie. “Have U.S. Cities Reached ‘Peak Millennial?’” *CityLab*. March 16, 2016.

Consider the following statistics:

- Millennials and Baby Boomers both have high levels of mobile device ownership. 95% and around 85% of Baby Boomers own mobile phones. However, millennials use their phones to access information online. 63% of millennials use their phones to access the web, compared to around 20% of Baby Boomers and 42% of Generation X.<sup>8</sup> These millennials access the web anywhere, whenever they need it.
- Millennials prefer mobility even when using a computer instead of a smartphone. Over 70% own a laptop.<sup>9</sup>
- As described above, millennials expect technological change at a dizzying pace.<sup>10</sup> The web achieved widespread usage in just seven years. Smartphones proliferated among millennials within months. For comparison, the radio took thirty-one years and television took twenty-six years to achieve similar usage numbers.

These statistics send a clear message: governments need to change their approach to embracing technology innovation. Here's how:

## Ensure on-demand access to real-time information

Governments' technological infrastructure should support employees' information access needs. But today employees face access bottlenecks. Information is siloed across departments and trapped in legacy systems, inhibiting on-demand access. For example, if a department head wants information about an existing vendor's historical transactions, here is the process she would follow and the bottlenecks she would face:

- **Step 1: Determine who can get the information:** The department head may not have access to the financial system. She would have to ask the Finance Director for a report, who would either run the report himself or send it to an analyst. Alternatively, the department head or her analyst would have access, and could proceed to Step 2.
- **Step 2: An analyst or manager queries the General Ledger to run a specific report:** It's hard for employees without significant database training to query the General Ledger, and even trained employees cannot do it from their phones and tablets. Multi-year information needs would require several queries. On-demand access is impossible with this obstacle.
- **Step 3: Significant Excel Work:** Each report must be manipulated by hand to find insights and prepare charts and graphs. If more information is needed, Step 1 must be repeated. Another bottleneck.
- **Step 4: Presentation:** Even if the report exists, and even if it has compelling charts and tables, information is likely stored in a PDF or spreadsheet. Neither format is easily viewable from a mobile device. Imagine squinting and having to review a spreadsheet with hundreds of rows on a phone. Then imagine having to pivot the information or change chart types. Another bottleneck.

<sup>8</sup> Zickuhr, Kathryn. "Generations and Their Gadgets." Pew Research Center. February 3, 2011.

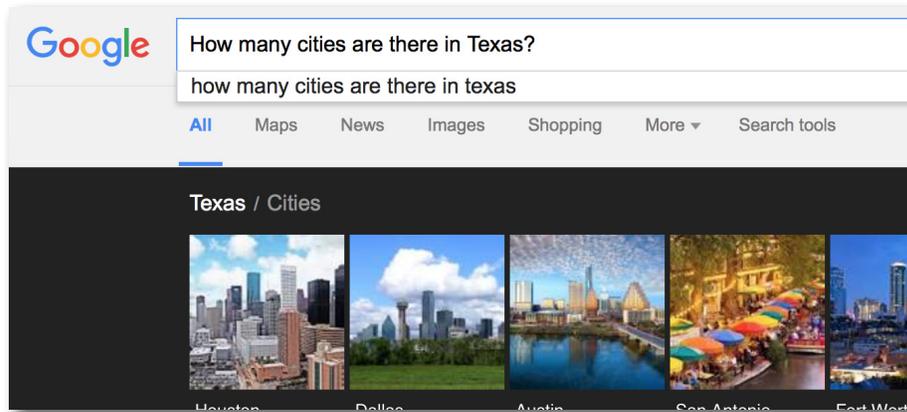
<sup>9</sup> Ibid.

<sup>10</sup> Desilver, Drew. "Chart of the Week: The Ever-accelerating Rate of Technology Adoption." Pew Research Center. March 14, 2014.

*“When figuring out how to recruit millennials, remember that they use a search engine to answer questions in seconds. They will expect the same from you.”*

Similar obstacles confront all departments at all levels of government. You can remove this bottleneck with technological infrastructure optimized to meet millennials’ needs. When figuring out how to recruit millennials, remember that they use a search engine to answer questions in seconds. They will expect the same from you.

On-demand information provides another benefit: increased flexibility. A PwC survey of over 40,000 millennials found that 64% prefer to work from home occasionally, and 66% desire more flexible work hours.<sup>11</sup> Employers that give employees access to the information they need on-demand, from any device, can more easily embrace this flexibility if they choose to.



*Millennials use search engines to answer questions in seconds. They expect the same from your government.*

## Enable rapid technology adoption

IT typically installs, upgrades, and maintains government software on-premise (operated from an internal server). It costs a lot of time and money to do this for every new innovation and productivity improvement. This slows things down.

The cloud enables faster adoption. Today, software providers instantaneously roll out upgrades to thousands of customers across the world without any work on their customer’s end. For example, OpenGov releases new product features to users every few weeks without impacting their workflow, or requiring IT to roll it out. It’s like learning to walk: once you join the cloud, you can adopt new technology with ease.

## Show other generations why they should embrace new technologies

Technological improvements do not just benefit millennials. For example, although Facebook is natural to younger Americans, multiple generations enjoy the benefits of online social networks. Non-millennial public sector workers can enjoy similar benefits with new government technology.

## Other Generations had technology expectations, too

*By Charlie Francis,  
former Finance Director of Sausalito, CA*

*I worked in government long before the Internet. But, whenever I tried to change jobs, the process was never the same after online applications.*

*Many businesses, but only a handful of governments, accepted online resumes and forms. Applicants to government jobs had to manually fill out forms, detailing every gap in employment history since birth. Then applicants had to physically sign each form, attach a resume, and either mail or hand-deliver it to the government's HR office.*

*At first, I still painstakingly completed the application forms by hand. But I soon realized that governments insisting on old technologies were probably not a government I would work for. Then, I stopped applying to any job that didn't allow me to submit only my resume online.*

*Today, most governments accept online resumes for management positions in-lieu of applications, but I still see governments lagging behind in technology. And this worries me; because millennials are likely to have the same reluctance I did when considering governments without modern recruiting technology.*

## Demonstrate employees' impact on your community

As Linda and her City Manager develop a succession plan, they will have to show potential recruits what they can accomplish in the public sector.

Like prior generations, millennials strive to make the world a better place. But instead of committing to organizations, civic-minded millennials devote themselves to causes. A multi-year study found that millennials “want to lend their knowledge, expertise, and time to help the people or issues the organization touches—not necessarily the organization itself.”<sup>12</sup>

The takeaway is clear: demonstrate results and connect them to specific roles and tasks or lose the next labor force to NGOs, social entrepreneurship initiatives, and the private sector. Governments may not be able to pay more than the private sector, but the public sector's winning hand is its impact. Show how dollars and labor lead to quantifiable outcomes, and civic-minded millennials will consider a career in your government.

## Map Performance Measures to issues millennials care about

Almost all governments collect and report some performance measures. These metrics include inputs (resources used), outputs (program activities), efficiency (ratio of inputs to outputs), and outcomes (the actual results of programs and services).<sup>13</sup> Although most governments solely report inputs and outputs, increasing numbers also share efficiency and outcome metrics and this is the information millennials care most about. Nevertheless, you can still tell millennials a story even if you currently can only measure and report input and output metrics.

Below are some of the big issues millennials care about, and maps them to sample performance measures that show outcomes. The list is nowhere near exhaustive, but it conveys the sheer number of metrics you can report to align public sector careers with important issues.

### Performance Measures for Issues Millennials Care About

#### Issue

#### Example Metrics<sup>14</sup>

#### Reducing poverty and inequality

- Poverty rate
- Median household income
- Public works expenditures
- Unemployment rate
- Number of Supported Affordable Housing Units Created per Year
- Number of Residents Assisted in Housing Relief Programs

#### Improving the environment

- Expenditures on sustainability initiatives
- Miles of Roadside Litter Collected
- Municipality-Wide Greenhouse Gas Emissions per Capita
- Water Usage per Capita

#### Sustaining economic growth

- Change in Value of Commercial Property
- Number of Jobs in Municipality
- Municipality-Wide Commercial Vacancy Rate
- Debt per capita

Issue	Example Metrics
Improving education	<ul style="list-style-type: none"> <li>➤ Percentage of Residents with a GED or High School Diploma</li> <li>➤ Total library use per capita</li> <li>➤ Education expenditures per capita</li> <li>➤ Class size</li> </ul>
Fostering diversity and culture	<ul style="list-style-type: none"> <li>➤ Total Attendance at Festivals and Cultural Events</li> <li>➤ Diversity of new hires and applicants</li> <li>➤ Number of Festivals and Cultural Events</li> </ul>

If governments do measure outcome metrics, then sometimes inputs and outcomes may not be correlated. For example, a natural disaster may hurt Public Works outcomes despite adequate inputs. Governments need the explain to millennials why outcomes may not be correlated with inputs.

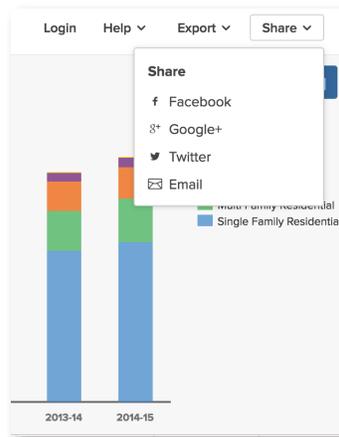
## Share performance narratives

Linda and her City Manager cannot just communicate program impact by placing spreadsheets full of performance measures online, even if they contain the right information. Instead, to be impactful for their staff and citizens, they must place the metrics in narrative-rich context and make the information easily understandable and accessible. More governments have embraced storytelling to help share information.

Technology improves your storytelling. For example, Linda decided to use OpenGov to present key performance measurements and dashboards, whether they are inputs, outputs, efficiencies, or outcomes, in reports that potential millennial recruits can understand. Linda then shared the performance measure reports, along with contextual text, on social media to drive engagement and attract recruits.

## Focus on employee retention, too

Young Americans want to share their impact with family and friends. This behavior benefits your government; it convinces the public and potential recruits that government work improves communities. So if your organization can convince just one millennial employee that her work produces concrete results, social media ensures the knowledge will spread. Any public OpenGov report can be shared on Facebook, allowing employees of OpenGov customers to share their impact – and potentially fill your applicant pipeline.



Millennials can use OpenGov to share the results of their work with the public over social media.

*“millennials are experiential and exploratory learners”*

## Simplify Knowledge Transfer

At long last, after a grueling search, Linda and her City Manager find a replacement. Now, it’s time to train her.

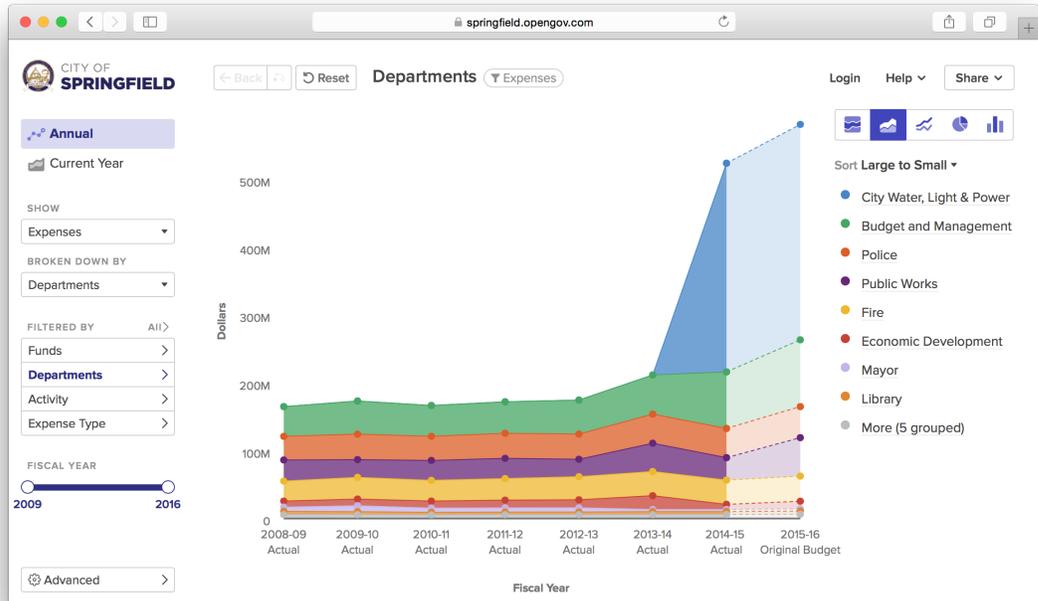
A successful knowledge transfer process cannot dump massive amounts of information on Linda’s successor on day one. Instead, research indicates millennials are experiential and exploratory learners, preferring to learn when they need to.<sup>15</sup> Of course upfront training is still necessary, especially for highly technical roles; yet governments should ensure future management and staff can learn as they work as much as possible.

Like the other issues we discussed, technology allows Linda to meet this millennial need. Balance “up front” and “on the go” knowledge transfer to satisfy your next workforce.

### Get initial knowledge transfer right

Traditionally new managers spend days compiling printed documents strewn across the organization, perusing static electronic documents, and combing through years-old spreadsheets. For example, new Finance Directors, one of the most important roles for knowledge transfer, have to track down old CAFRs, budgets, departmental reports, audit workpapers, and other records. Once the information is compiled, the new Finance Director goes back and forth between documents to gain a deep, multi-year perspective.

Tools like OpenGov solve this problem. Governments store financial and performance information in OpenGov’s repository and with a few mouse clicks, new managers and Finance Directors explore multiple years’ budgets, monthly results, audit workpapers, and other information. This dramatically reduces the time new workers need to get up to speed.



Governments use OpenGov to visualize multiple years of budget information, improving knowledge transfer.

## Enable continuous learning

Technology complements millennials’ tendency to learn as they go. If a millennial has a question, she can answer it in OpenGov by pulling up the relevant screen instead of dusting off old documents or combing through PDFs and spreadsheets that may not have the most up-to-date or accurate information. The reduced effort in transferring knowledge when it is needed makes the government workplace more suitable for millennials.



*Managers across the organization should ensure future leaders have the implicit and explicit knowledge they need to succeed.*

## Capture implicit knowledge

Of course not all information can be conveyed via explicit reports. Retiring managers and staff have institutional knowledge that incoming millennials would benefit from. Standardized sets of questions with answers stored in one place preserve this knowledge, reducing barriers to getting millennials up to speed. Here are some sample questions that could be recorded during the exit interview or earlier:

1. What kinds of knowledge or skills do you have that your office will miss when you leave?
2. If you had to leave suddenly and only had one day left to brief your replacement, what you put on your list of things to tell her?
3. Looking back, what things do you wish your office had taught you early in your job that you eventually learned the hard way?
4. What are the key resources (procedures, manual, checklists) that you use to do your job?
5. What pieces of knowledge are you most worried about slipping through the cracks when you leave?
6. Are there some important types of knowledge that take a long time for someone else to learn but are critical to your job? What are they?
7. How did you learn the things you know? What were the critical training programs, work assignments etc.?
8. What is unique about your background compared to the typical employee in a position like yours?
9. Who do you contact for assistance most frequently in order to do your job?
10. What are the most frequent issues or questions people bring to you? Which consume the most time?

## Start early

Charlie Francis, Sausalito, CA's former Finance Director, recommends developing a knowledge transfer plan early and getting the necessary technology in place to avoid unnecessary problems. He shares his experiences with knowledge transfer and offers some tips below in "Getting Knowledge Transfer Right":

## Getting Knowledge Transfer Right

*By Charlie Francis, Former Finance Director*

*My monthly strategy meeting with the City Manager began with this:*

*"Charlie, our next priority is to work on the three-legged stool of infrastructure investment, economic development, and community planning for the sinking waterfront district. I heard*

*you loud and clear during budget development when recommended that this needs to be addressed to cement the last building block of the City's long term financial plan's goal of fiscal resiliency. Let's talk about a project plan that I want you to develop and manage for the next two years to get us there."*

*My mind was not on the waterfront district though. You see, the moment of truth had come! This meeting had to focus on the touchy subject that he had been avoiding, and did not want to discuss – my retirement plans. I needed to tell him now that I was planning to step down as CFO. If I didn't address this, I would have been constrained to working for another two years.*

*"I'll help develop the plan," I replied, "but first we need to start focusing on a mechanism to transfer my institutional knowledge to a successor – I plan on retiring in six months."*

*I began my knowledge transfer plan by creating a virtual central repository of key financial, performance and economic information. This repository was online, and on-demand. It had to be accessible to a wide audience, but some parts needed to be locked down for confidential information only to be shared with those with a 'need to know.'*

*Putting proper data visualization tools in place for was critical not only for ease of navigation, but also for spotting clusters, outliers, trend deviations, and other anomalies resulting from subjecting data to digital analysis. I had to give my successor the tools to learn quickly, and data visualization was the best route. The general ledger financial information had to be constrained to the City's unique chart of accounts; yet flexible enough to portray GASB 34 and GASB 68 schedules.*

*I also virtually centralized auditor workpapers to answer the critical accounting question "how did he do that last year?" Storyboards, checklists, information exchanges, and job aids all added to storytelling. This enabled a type of community of practice, where myself, the interim finance director, and the new incumbent, could gather together virtually to share information and engage in creative problem solving. These strategies enhanced the transfer of institutional knowledge that enabled a smoother transition from the old guard, to the new.*

*It took 13 months for my City to find a new Finance Director. I worked for 6 of them; an interim served for the remaining 7 months. Job shadowing wasn't an option because of tight budget constraints and time limitations for both incoming and outgoing incumbents.*

*My successor is working on the plans for the sinking waterfront district; but by paying attention to and dealing with the tough subject of strategizing for knowledge transfer, my City's finances aren't in danger of descending into a sea of red ink.*

## Enable millennials to collaborate the way they know how

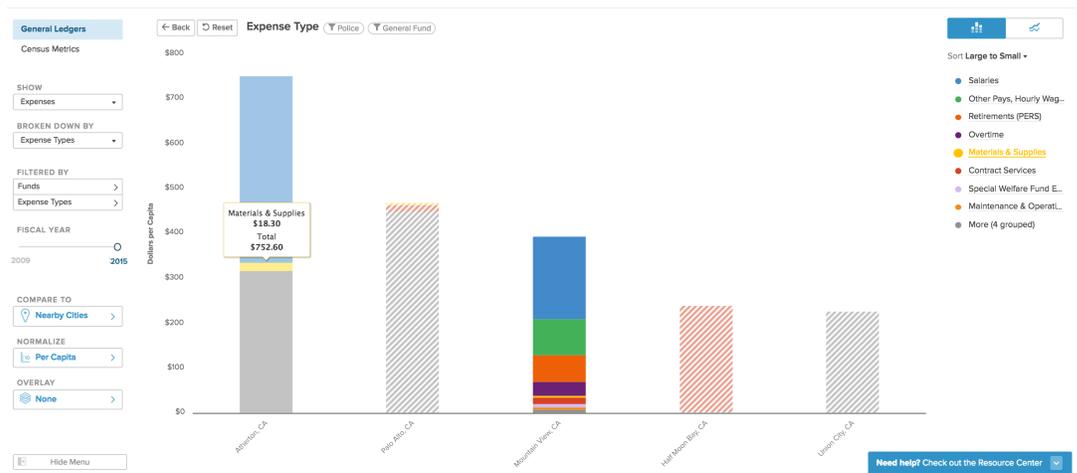
Millennials connect like no generation has before. They form both in-person relationships, and connect online over social networks. Tools like Google Docs (a collaborative, web-based document editor) allow unprecedented project-based collaboration.

They expect the same from their jobs. Top-managers down to junior staffers must promote this collaboration to keep millennials, and highlight it to attract applicants. Technological innovation helps here, too.

## On-demand access to a common set of information drives collaboration

A common set of information enables collaboration. Unfortunately, most data in Linda's government are siloed in departments, accessible only by a few trained analysts. And, governments' data structures differ across organizations – making inter-jurisdictional collaboration difficult.

Tools such as OpenGov pool data across departments. Subject to necessary information controls, staff all over the government can view and download organization-wide data to collaborate on important projects where outcomes depend on multiple departments or agencies.



OpenGov Comparisons enables automatic “apples to apples” comparisons and benchmarks between governments, making it easy for millennials to learn and collaborate.

*“There’s no reason why collaboration should be limited within governments.”*

## Modern collaboration extends beyond the government’s walls

There’s no reason why collaboration should be limited within governments. Millennials are already used to talking to peers across the country, and world, via video conferencing and social networks. OpenGov deepens the potential for millennials to work with their peers in other governments by automatically standardizing inter-jurisdictional data.

## Conclusion

Six months later, the clock strikes three as Linda leans back in her rolling chair. Removing her glasses and placing them gingerly on her desk, she gazes out of her office window at the street below. Linda has looked out this window thousands of times, but this is her last. Tomorrow morning, for the first time in thirty years, Linda will no longer be a Finance Director. She walks slowly to a conference room for her retirement party.

The City Manager greets Linda and cuts her the first piece of red velvet cake. Toast after toast praises over forty years of dedicated government service. Throughout the party, neither Linda nor her City Manager worry about the future. They are confident in her successor, and know knowledge transfer procedures will work as intended.

Hugging her staff one last time, Linda walks to her car, turning around one last time to watch the Sun set behind the Council chambers.

Linda’s legacy is now secure.