



## Changing the conversation: Millennials in the federal government

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# Executive summary

Although millennials—the generation born between 1980 and 1995—now constitute the largest share of working-age Canadians, they are finding it frustratingly complicated and challenging to thrive in the federal public service, where their transformative potential is arguably needed most.

Some of this can be attributed to a perception problem. Too often the conversation that plays out in the popular press about millennials focuses on their so-called propensity for impatience—even narcissism. Many believe millennials don't even want to work in government in the first place, or that, if they deign to try, they can't be bothered to stay for the long haul.



But the facts just don't support that perspective. Millennials are not so very different from other generations. That's why it's past time we refocused the debate.

And not a moment too soon, given the pace of global political and economic shifts, as well as the speed of technological change. To meet the difficult and evolving challenges of the 21<sup>st</sup> century, it is now more important than ever that our federal government recruit, develop, and empower the best and brightest young people the country has to offer. If it fails to do so, it risks falling behind.

Notwithstanding public perception, the facts show that millennials are attracted to public service careers. Hiring programs that target younger workers continue to receive

a high number of applicants. And in terms of retention, the number of millennials leaving public service remains low.

What's more, the public service's value proposition of job mobility, meaningful work, and opportunities for work-life balance is well aligned with millennial priorities. It should all be a perfect fit.

And yet, the potentially transformative impact of millennials in the public sector has not lived up to expectations. Why?

One reason is that the share of millennials in the federal public service is smaller than in the overall Canadian workforce. And the entry point for millennials into the public service has narrowed. The number

of external jobs posted in 2008 was about 5,000, but that number dropped to around 2,700 in 2016. Older employees are also delaying retirement, while the size of the public service as a whole remains static. Casual employment has also risen in recent years. These structural challenges are exacerbated by policy choices that further disadvantage younger workers. Lengthy hiring times and increased experience and qualification requirements mean that young people face a difficult path to public service entry.

But it's about more than increasing the number of millennial public servants. Similar challenges are apparent when it comes to integrating younger workers into the public service. Interviews we've

conducted with federal government officials highlighted ongoing challenges related to onboarding and to the ability of government to recognize, reward, and promote innovators internally—regardless of their age. Improvements in these areas could help the public sector get more out of its millennial workforce, beginning with:

### Streamlining processes

- Shorten the hiring process and increase its responsiveness in order to seize high-performing millennials before they accept faster job offers in other sectors.
- Involve burgeoning technology in daily operations, including electronic signatures, online profiles, or utilize digital platforms to render once slow processes more efficient.
- Start small with big changes, learn from them, alter them where necessary, and slowly scale-up to avoid large oversights.

### Recruiting for potential

- Don't just check boxes, try to determine potential from a holistic hiring approach.
- Embrace technology that can reveal strong leaders hidden in large data sets.
- Use pilot programs, technology, and other efforts to assess hiring strategies.

### Mobilizing careers

- Millennials demand continual professional growth: empower them with stretch assignments and use programs, such as free-agent pilot programs and the Jobs Marketplace, to fill vacancies.
- Encourage the development of “triathletes,” workers with experience in the private, public, and not-for-profit sectors, by facilitating movement between all three.
- Put an end to “skills discounting”; experiences obtained outside the public sector are valuable and vital.

### Breaking out of the box

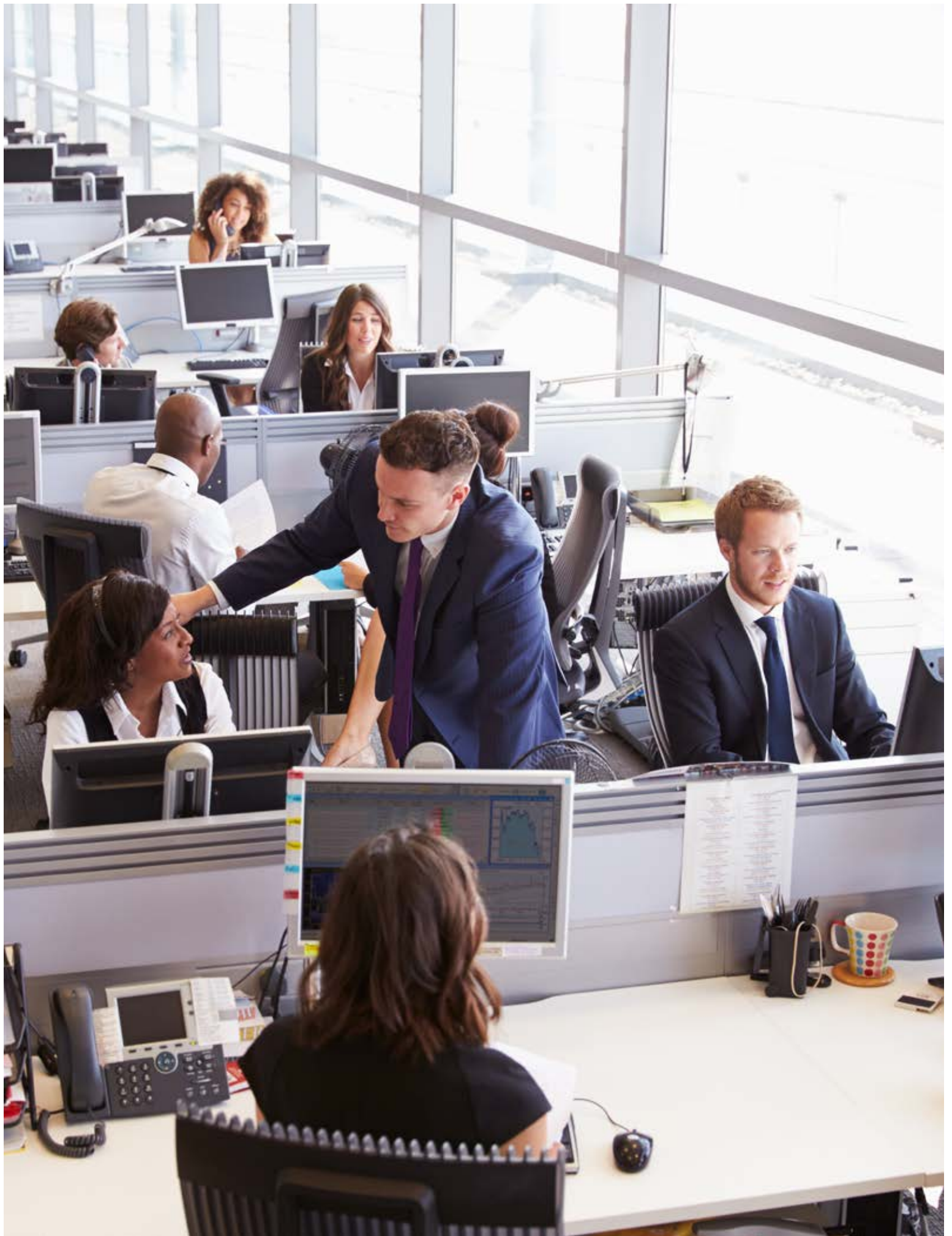
- Revamp the outdated, classic workspace to the progressive work environments of tomorrow.
- Kill the cubicle to strip down barriers between employees and departments and to effectively service non-local tele-workers.
- Break down organizational walls by adopting a more flexible approach to job classifications and hierarchical structures.

### Incentivizing innovation, driving diversity

- Reward innovators and outside-the-box thinking, while including room for successes that upend the status quo.
- Avoid “cascading,” a kind of group think and self-censorship that leads to unsurprising and average outcomes, by integrating diverse voices into teams.

We've been having the wrong conversation about millennials, but it's not too late to have the right one. In order to tackle the challenges ahead, the public sector must embrace the newest generation of Canadian workers, recruit the finest and sharpest, and mine their diverse talents.

They are keen. They are ready. They are our best hope to propel Canada's public sector toward its brightest possible future.



# Introduction

The public sector has a millennials problem.  
But it's not necessarily what you think.

In our increasingly fast-paced and interconnected world, policymaking is becoming more complex and challenging than ever. The only certainty is uncertainty. Populist and protectionist impulses are rising, rocking the foundations of liberalized global economics. At the same time, developing technologies such as artificial intelligence, sensors, mobile platforms, and social collaboration tools are transforming how we work, live, and communicate. Together, these disparate forces are giving rise to new demands on, and expectations of, the public sector, while creating opportunities to improve government accountability and inclusion.

More than ever, therefore, it's become imperative—urgent even—that the public sector improve its ability to recruit, nurture, empower, and retain the best and brightest young Canadians.

Unfortunately, government leaders and outside observers alike are concerned that antiquated human resources systems designed in the 1950s, 60s, and 70s and still dominant in the public service today are unsuited to the supposedly unique demands of the newest generation of workers—the millennials, the cohort born between 1980 and 1995, who have now come of age in the workplace.

**They're not wrong.** Well, not exactly.

Research does suggest that the federal public sector faces significant challenges when it comes to millennials, who now, at 37 percent, account for the largest generational share of working Canadians.<sup>1</sup> But those challenges, contrary to popular perception, are not about the relative attractiveness of public service to millennials, nor millennials' willingness to commit to long lasting government careers once they've gotten started.

Indeed, discussions we've had with public sector leaders, in addition to our own data analysis, have convinced us of one very important thing: We've actually been having the wrong conversation.

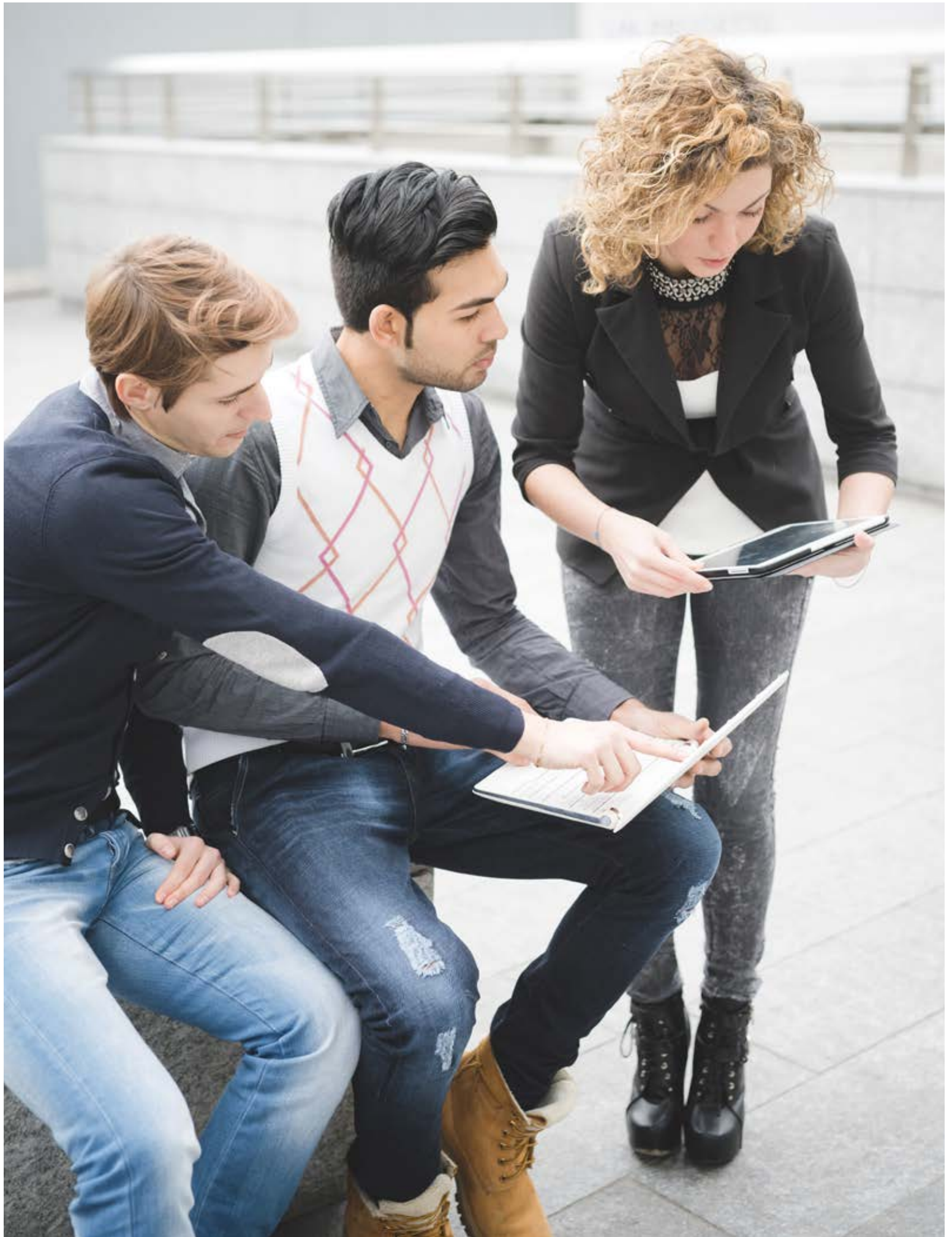
Whereas popular perception continues to hold that millennials have set new standards for selfishness, impatience, and superficiality, the facts paint an altogether different picture. Research instead shows that, as a whole, millennials want the same things and value the same things as other generations. Where they differ is in the ways they go about achieving their goals.

And that is largely to do with them being the first generation of digital natives, a generation at ease with digital tools from an early age, many of whom had access to text messaging and social media as early as elementary school. This generation craves new and evolving technologies—the sophistication, proliferation, and mobility of which is accelerating faster than most of us can keep pace with.

Where to start? Modernizing the public service. Why? Not to better attract or retain millennials but to better integrate, develop, and empower them—and therefore to build an agile public sector for the 21<sup>st</sup> century. But we can't do this until we move past assumptions and misperceptions about our future public sector leaders and change the conversation.

Which is exactly what this paper aims to do. First we'll make the case that millennials aren't so different from other generations. Then we'll dispel the myths surrounding millennial interest in, and commitment to, public service specifically. After that, we'll explore a range of trends preventing the public service from keeping pace with the rate of change. And finally, leveraging interviews with key leaders and experts, both inside and outside the public service, we'll propose a set of actionable ideas for moving the public service forward.





# How different are millennials, really?

Millennials are all the rage. Google Trends shows that interest in millennials has risen exponentially in just the past few years, as more and more people seek to understand this increasingly important segment of the population (Exhibit 1).

A tidal wave of information and opinion about this ascendant generation has since emerged, much of it contradictory. Indeed,

millennials are a kind of study in opposites, having been described as both “lazy” and as “workaholics,” as both “purpose-driven” and “money-grubbing,” as both “apathetic” and “politically savvy.”<sup>2</sup> Understandably, many charged with recruiting and retaining millennial workers struggle with important questions concerning how they differ from older personnel and what, ultimately, they seek in employers.

## Exhibit 1: Interest in millennials has exploded

Index of Google search interest in "Millennials" in Canada  
100=highest monthly search frequency  
Canada, 2007-2016



Source: Deloitte analysis based on data from Google Trends.

“The government has a very compelling value proposition: wages, benefits, 100,000 types of jobs, the possibility to go anywhere and do anything. That’s why we get so many applications. But once people are in the door, they realize they were sold a partially empty promise—a promise we too often fail to make good on, which prompts a lot of good people to leave.”

**Senior public sector leader**

Although the literature suggests that millennials do display some unique characteristics, in general they don’t appear to be all that different from others. Despite much popular invocation of the independent, job-hopping, free-wheeling ways of these younger workers, Deloitte’s 2017 Millennials Survey discovered that 71 percent of Canadian millennials actually prefer permanent full-time employment while only 25 percent would opt for freelance work. This reflects a wider workforce trend that sees freelancers accounting for an estimated 21.5 percent of the workforce in Canada and 34 percent in the United States.<sup>3</sup> These results also align with global trends that suggest an uncertain and unstable environment “might be driving a desire among millennials for greater stability.”<sup>4</sup>

Case studies on generational disparities agree there is little evidence for the “types of sweeping differences in attitudes, orientations, and work ethic that populate the popular press.”<sup>5</sup> Differences between millennials and earlier generations may stem more from basic age disparities than from distinct generational traits.<sup>6</sup> Even variations within generations—such as consumption habits—may be more informative than variations between them. All of which raises the question: are broad generational categorizations like this even useful?<sup>7</sup>

To answer this, a recent study by the Environics Institute split millennials into six distinct “tribes,” arguing that, though they share an age bracket, they also “reflect a range of experiences, perspectives, attitudes, and activity when it comes to how they approach life, their careers, and engage with politics and their community.”<sup>8</sup> Some key traits appeared throughout the tribes. In contrast to their Gen X and Baby Boomer peers, for instance, millennials are more interested in work-life balance, where work is not the central focus of their lives.<sup>9</sup> They also say that flexibility, coaching, and professional development are more important to them, as are issues of diversity and inclusion—a reflection of the diversity in the generation itself.<sup>10</sup>

Based on these findings, public service should be a perfect fit with the priorities of millennials, broadly speaking, of meaningful work that’s kept in balance with everything else life has to offer. Additionally, the huge variety of public service career and job prospects is ideal for those seeking both flexibility and security. Yet, somehow, the twin perceptions persist that (1) millennials aren’t interested in public service and (2) even when they are, they aren’t likely to make lifelong careers out of it.

**Neither of these perceptions is accurate.**

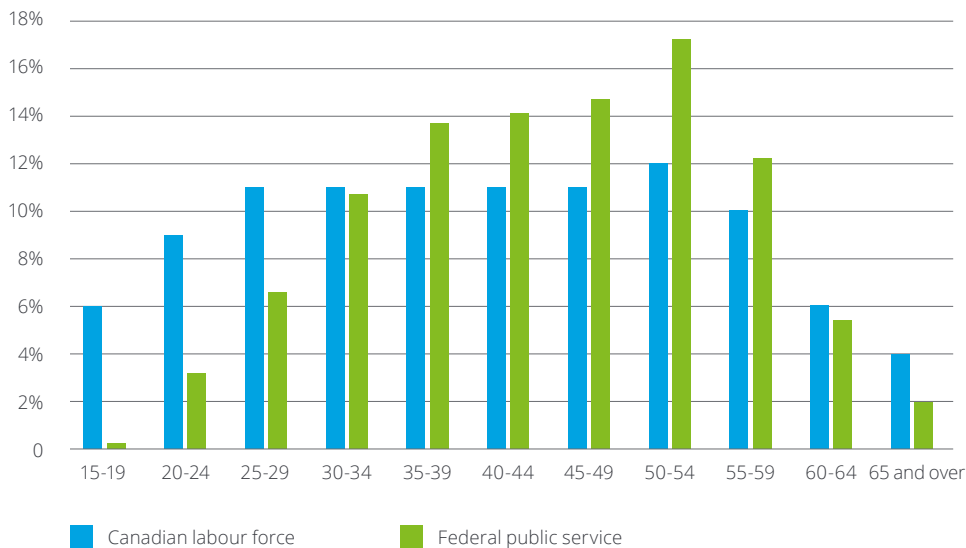
# The scope of the public sector's millennial problem

Workers in the federal public sector are notably older than the rest of the labour force (Exhibit 2), a fact not lost in high-level discussions within the federal government. During the 2016 World Economic Forum in Davos, for example, Treasury Board President Scott Brison noted that millennials are “skeptical about public service,” and, to appeal to them, government will need to consider ways to “become more creative, adapt technologically, [and] change the way we make decisions.”<sup>11</sup>

Millennials are in a unique position, as they are often deemed both the cause of, and solution to, the problem of aging government. The logic runs like this: Millennials seek jobs with nimble and cool organizations that allow them to maximize their use of the latest technologies; for most millennials, this doesn't include the public sector. Therefore, if the government fails to attract millennials, it will be impossible to modernize services, integrate emerging technologies, and leverage the newest thinking and the boldest ideas.

## Exhibit 2: The public service workforce is older than the overall Canadian labour force

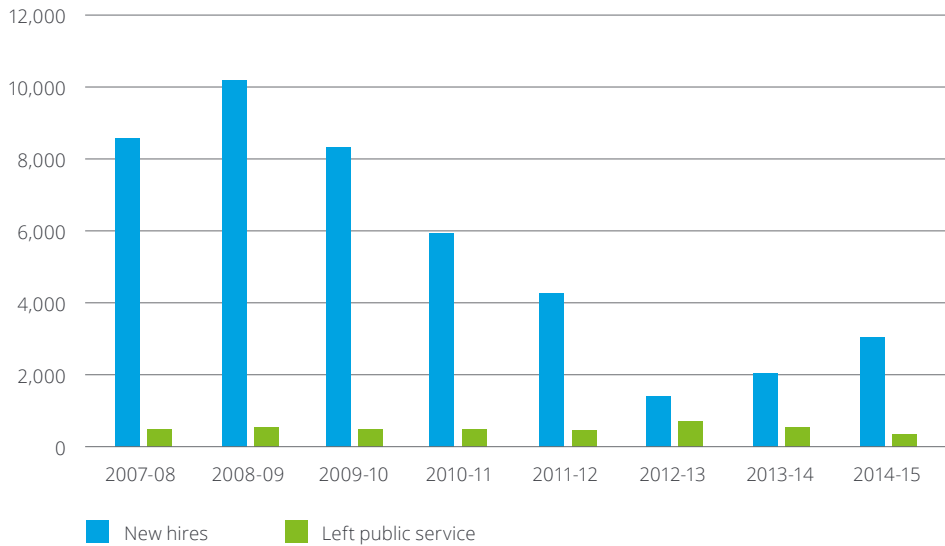
Share of federal public service workforce and Canadian workforce by age group  
Canada, 2015



Source: Deloitte analysis based on data from Statistics Canada and Treasury Board Secretariat, Government of Canada.

**Exhibit 3: Many more millennials enter the public service than leave it**

Inflow and outflow of federal public service workforce, aged 35 and younger Canada, 2007-2014 program years



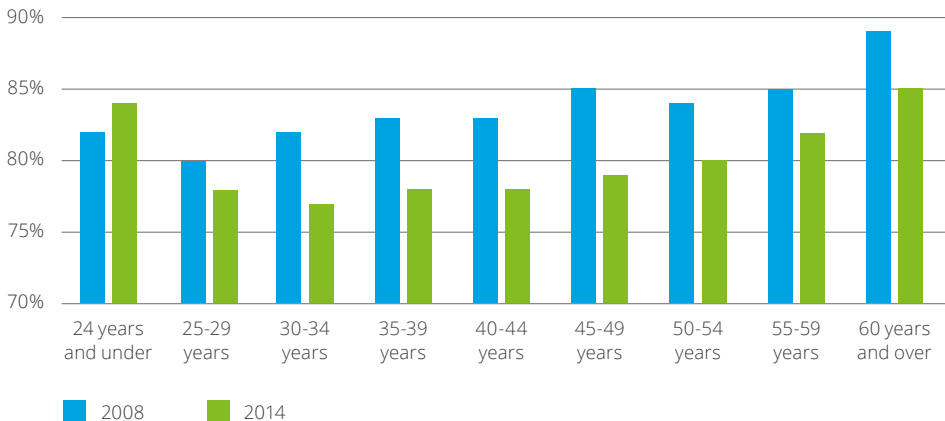
Source: Deloitte analysis based on data from the Public Service Commission.

Recruitment data, however, calls this formulation into question. The government receives tens of thousands of applications through programs aimed specifically at millennials—such as the Post-Secondary Recruitment (PSR) and Recruitment of Policy Leaders (RPL) programs—which implies that, for many educated young people, the federal government is very much an employer of choice. Similarly, surveys of millennials only serve to highlight their interest in public sector careers.<sup>12</sup> Though the data doesn't break down applications based on work experience, skills, or expertise, it demonstrates that, at the broadest level, millennials do want to work in government.

So, while the public sector does have a “millennials problem,” attracting them isn't it. And neither is retaining them: since 2007, the number of millennials leaving the public service has remained consistently low (Exhibit 3). In 2015, that number was just 1.1 percent for full-time workers under 35. But, while the rate of those under 35 leaving the public service remains small, the rate at which they are hired remains below 2007 levels. As a result, the gap between entries and exits has narrowed.

**Exhibit 4: Older workers are more likely to enjoy their job**

"Overall, I like my job." Share of respondents with positive response Canada, 2008 and 2014



Source: Deloitte analysis based on data from the Public Service Employee Survey.

Unfortunately, the data falls short of telling us why people leave. Anecdotally, some have suggested that this small millennial “outflow” contains a disproportionately large number of high achievers—those with an “option value” that allows them to easily transition to careers in other sectors. But these outliers only prove that, though a few young workers do move on, the vast majority stay.

Next question: are they happy? Though the majority of millennial workers say they are satisfied with their jobs, they are not as content as older employees, and—with the exception of those under 24—are decidedly less content than the same age cohorts were when polled in 2008 (Exhibit 4). But not enough to account for the misperception about their levels of commitment.

Job advancement in the public sector is also a notable worry for millennials. Promotions declined across all age groups as a share of staffing activities after 2007 before increasing again in 2015-16 (Exhibit 5). Over the same period, young people within the public service developed a more pessimistic outlook about their own career paths (Exhibit 6).

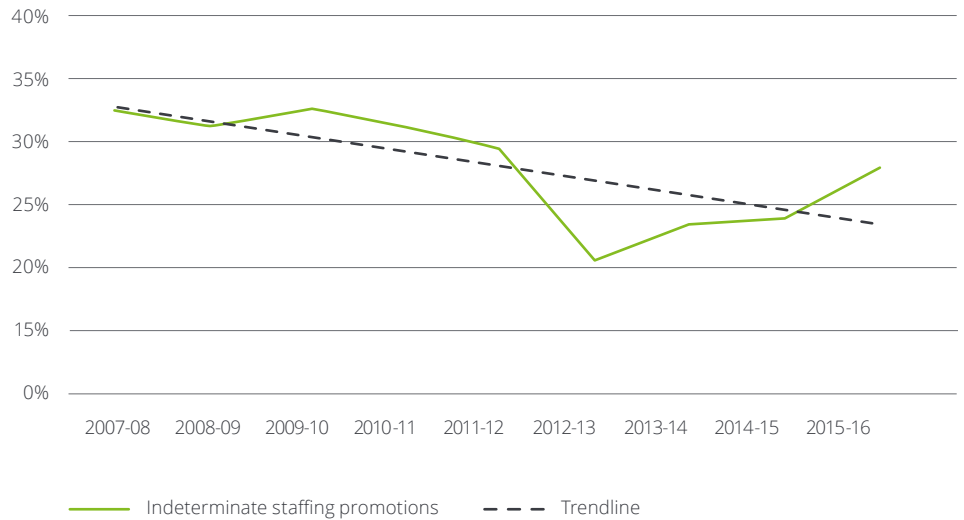
All of this is to say, again, that the public sector's millennial problem is not about attraction or retention. Millennials want to work in the public service, and once they join, they tend to stay.

**So what exactly is the problem?**

In order to answer that, we'll need to take a look at public sector trends in hiring, evaluation, integration, and development.

**Exhibit 5: Incidence of public service job promotion has decreased over time**

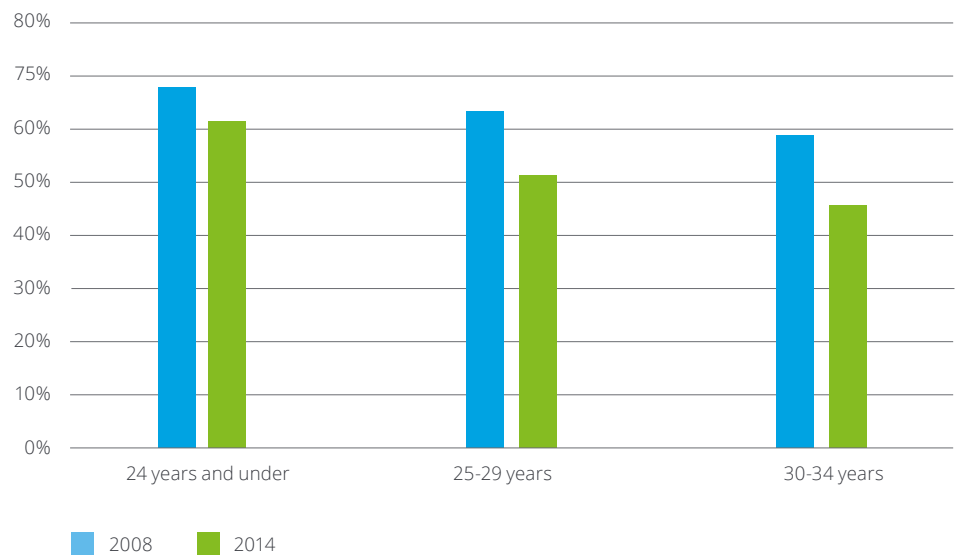
Promotions as a share of indeterminate staffing within the federal public service Canada, 2007-2015 program years



Source: Deloitte analysis based on data from the Public Service Commission.

**Exhibit 6: Millennials' belief in public service promotion opportunities has decreased over time**

"I believe I have opportunities for promotion within my department or agency, given my education, skills and experience." Share of respondents with positive response Canada, 2008 and 2014



Source: Deloitte analysis based on data from the Public Sector Employee Survey.

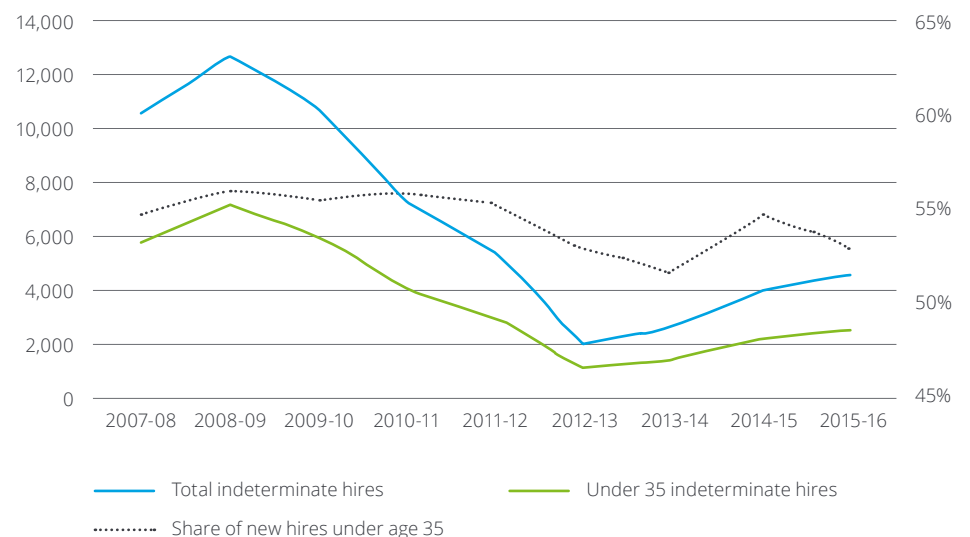
# The real millennial challenge—and opportunity

In its response to the recession of 2008, the federal government instituted the Deficit Reduction Action Plan, which resulted in hiring reductions across the board. The share of hires under the age of 35 has remained relatively constant over time, but their total numbers have fallen since 2007-08 (Exhibit 7). Additionally, the

number of advertised positions externally remains below 2007-08 levels, having not fully recovered from the previous cutbacks (Exhibit 8). Finally, federal government recruitment skews older: in 2015-16, the average age of non-student hires was 37, though more than half of new hires are consistently under the age of 35.<sup>13</sup>

## Exhibit 7: While the number of millennials hired into the public service has decreased, the share of total hiring has remained constant

Number of new indeterminate hires and share of new hires under age 35  
Canada, 2007-2014 program years



Source: Deloitte analysis based on data from the Public Service Commission.

To put this another way, young people are applying in large numbers, but they are not being hired at a comparable rate. The percentage of applicants hired through the RPL initiative, for instance, geared toward high achievers, is consistently less than 3.5 percent. Similarly, in 2016, the success rate for those who applied through the PSR program was only 1 percent.<sup>14</sup> In fact, recruitment is so selective, the federal government accepts a lower share of applicants than elite Ivy League institutions like Harvard University!<sup>15</sup>

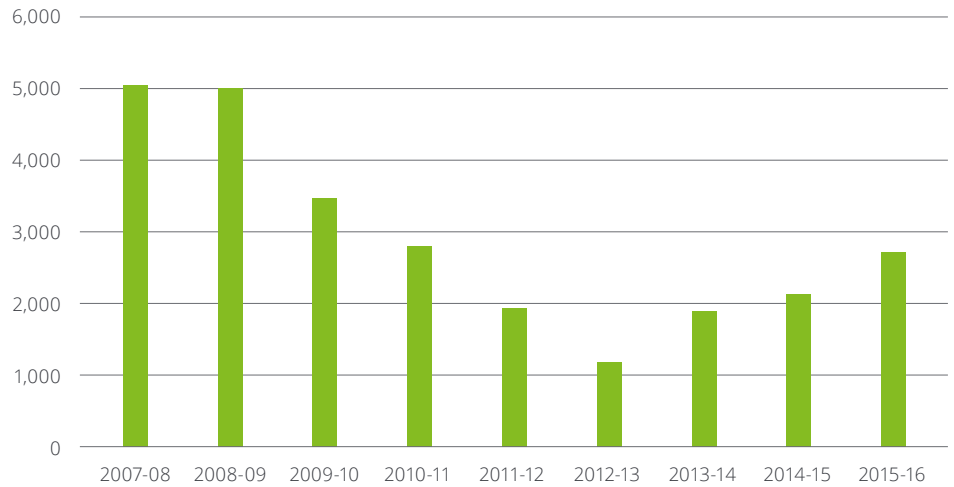
The solution to this problem, then, seems to be simple: publicly advertise more positions and hire more young people to fill them. But even this might not be enough. Further barriers continue to prevent skilled young workers from entering government and—once there—from realizing their full potential.

“When the government posts a job, it doesn’t matter what the job is, they’re going to get 1,000 applications. This has unfortunately made them a little lazy about looking for talent in different ways.”

Interviewee

**Exhibit 8: The number of externally posted public sector jobs has remained low since 2008**

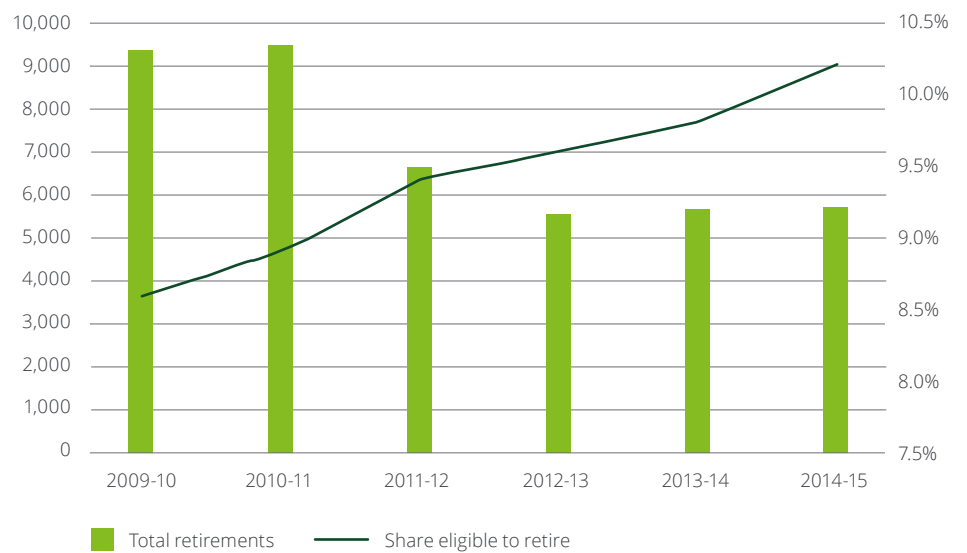
Number of externally posted federal public service job advertisements Canada, 2007-2015 program years



Source: Deloitte analysis based on data from the Public Service Commission.

**Exhibit 9: The share of public service employees eligible for retirement has increased over time**

Percent of employees eligible for retirement and total number of retirements for the federal public service Canada, 2009-2015 program years



Source: Deloitte analysis based on data from the Public Service Commission and Treasury Board Secretariat.



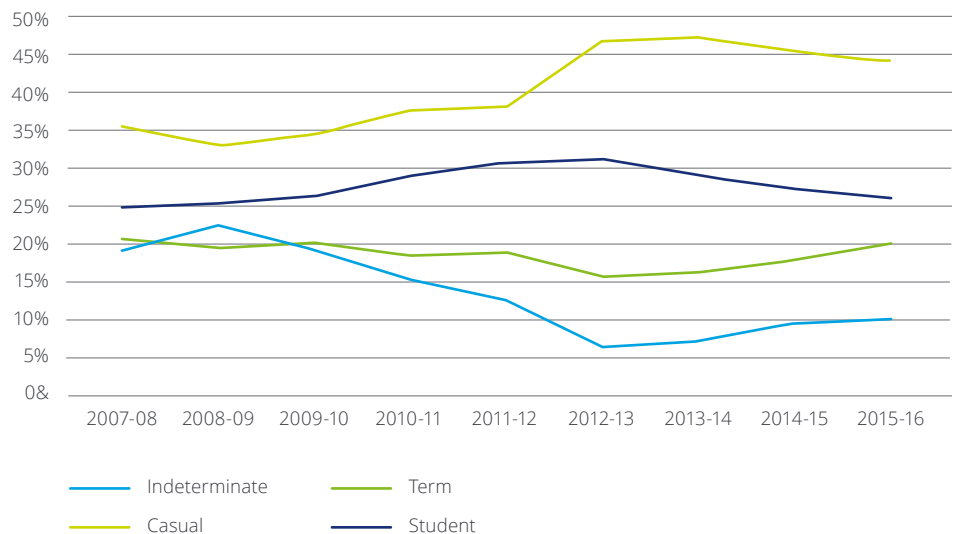
Limited growth in the public service and a low rate of retirement means there are less job opportunities than ever for millennials. The point of entry for young workers is narrowing even further due to older government employees delaying retirement. Over the past five years, the total number of retirements has declined, while the percentage of employees eligible to retire has risen (Exhibit 9). These figures point to a hard road ahead for millennials who wish to work in the public service.

But beyond even these structural constraints, employment practices are often designed in ways that disadvantage recent graduates and younger workers. Young people, for example, commonly saddled with student loan debt, may be more likely to struggle with lengthy hiring processes that can extend over several months. While older and more established workers may be both more able and more willing to wait, many new graduates will, by necessity, continue to explore other career opportunities. As a result, the government will continue to miss out on the most highly qualified, and therefore most in-demand, millennials.<sup>16</sup>

In a thorough examination of Australia’s public service, Dr. Linda Colley, a fellow of Queensland University, sheds light on an array of other policies that have led to the “greying” of the public service workforce in a number of countries. These policies have resulted in a move away from recruiting young people into entry-level positions. They also put a greater focus on hiring more experienced workers at higher rates of pay.<sup>17</sup> As Colley notes, the “previous selection policies had related merit in recruitment to school or exam results, and employees were then trained and developed to be promoted through an internal career structure. New processes required applicants to submit lengthy written applications for jobs to demonstrate their experience, knowledge and suitability for each position—this definition of merit was likely to favour older applicants with more work experience.”<sup>18</sup> In Canada, this shift has been exacerbated by the rise of casual and short-term employment, often forcing young people to seek entry points through contract work rather than more customary, entry-level positions (Exhibit 10).<sup>19</sup>

**Exhibit 10: Casual and term public service hiring has increased while indeterminate has decreased**

Share of federal public service hiring by hiring type  
Canada, 2007-2015 program years



Source: Deloitte analysis based on data from the Public Service Commission.

Here at last is the real problem: for those millennials bent on careers in public service, joining government has become increasingly difficult. Traditional career paths have dwindled, qualification requirements have swelled, and government hiring practices are slow-moving and cumbersome.

And those who are hired into government face still more challenges, especially when it comes to integration. According to a number of public sector workers who were interviewed for this study, problems often begin early on, with a lack of sufficient onboarding and orientation. This leaves recently hired employees feeling anchorless in their new positions—irrespective of age.

What's more, many younger workers also feel rudderless within government structures, which can be excessively hierarchical, and where actionable ideas are subject to many layers of approvals. These challenges are not necessarily the result of ill-intent or mismanagement—nor, indeed, are they unique to Canada—but rather stem from the structure and historical development of the public service model. Rooted in merit-based principles developed nearly a century ago and personnel management practices perfected during the “golden age,” the traditional public service model emphasizes narrow and highly specific job categories and classifications within a clear and traditional hierarchy.<sup>20</sup> But as the world continues to rapidly embrace the digital age, industrial-age legacy systems and structures will face challenges in adapting to new workforce expectations.

Similarly, the public service can also struggle to identify and reward innovative thinking that pushes the boundaries of established practice. This was evident from our

“We hear a lot about rigid hierarchy; layers of approval that affect young people. They want more innovation, greater collaboration, and fewer layers of bureaucracy. Do you really need five levels of executives? Should you really be in an executive category if you manage a single person? We need to do something about this.”

#### Senior public sector leader

interviews, which suggested turnover among high-performing, innovative millennials—such as those brought in through the RPL program—could be higher than average, though these claims remain largely anecdotal. While millennials may be attracted to the diversity of career possibilities offered through the public service, some find that their ability to transition between roles and focus on exciting new challenges is less than advertised.

Though these setbacks do not seem to be resulting in higher aggregate turnover rates among millennials in the public service, they do raise an important question: are the skills of younger workers being leveraged to their full potential?

**Probably not. But we believe that can be turned around.**



# The new golden age for millennials in the Canadian public service

As it stands, Canada's public sector already has significant successes with millennials on which to build. These include, as noted, a strong record of attracting and retaining millennials, lateral mobility, meaningful work, and opportunities for work-life balance. Along with innovative technology tools, such as the government's online Jobs Marketplace and pilot programs based on Deloitte's GovCloud staffing model, the public sector has made huge strides in becoming an enticing employer to Canada's youngest working generation.

Nevertheless, there's always room for improvement. Millennials wishing to join the public service face inscrutable job advertisements and overlong application processes. And those that do make it through find the onboarding and integration experience lacking. Finally, after navigating the interview and onboarding practices, millennials and high-performing innovators of all ages must struggle with antiquated internal processes and broad systemic challenges.<sup>21</sup>

The ideas below are intended to help drive the conversation forward in a new direction. At the broadest level, they signal a need to move organizational and personnel systems and structures to models and approaches native to the digital age—which is, after all, well and truly upon us.

“If you asked the government right now, ‘What is your organization capable of?’ you’d get a list of every job description they have. But people are more than job descriptions. We are good at articulating what our people currently do. What we want is to build a system that asks what our people are *able* to do.”

**Public sector HR manager**



## 1. Streamline processes

Government hiring procedures are discouraging not only to millennials but also to other generations of current and potential employees. Applicants are bogged down by onerous, complex, and lengthy recruitment processes, raising concerns that quality candidates are being lost to faster job offers. In order to stem this attrition, shortening the hiring process and increasing its responsiveness must be a top priority. For example, concerned that the public service was not attracting the best and brightest university graduates, former Clerk of the Privy Council Kevin Lynch pushed for a two-day job fair involving 80 deputy and assistant deputy ministers. In contrast to the usual online application portals, attending officials were encouraged to make job offers on the spot.



By doing so, Lynch positioned the public service to adopt practices that enabled them to compete for top talent from one of Canada's leading universities. More recently, the Public Service Commission has taken steps to overhaul the PSR online application. Students can now apply with only a few clicks of a button, an initiative that should serve as a beacon for those wishing to modernize talent management.

Technology improves productivity and appeals to a generation that grew up with the convenience of online tools. Greater use of digital platforms for offer packages and electronic tools for security clearances could help expedite the hiring process. Making electronic signatures standard on all government forms would cut-down on printing and scanning time; testing these forms to ensure user-friendly design

would make various stages of the hiring process more intuitive. The public service would benefit from online employee profiles, used as "passports" that outline skills, qualifications, and work experience. It would facilitate applications for internal postings while boosting movement and, therefore, job satisfaction.

Big changes in large organizations can be fraught with difficulty. The public sector, with its own unique scrutiny, is especially vulnerable. All too often, these cautionary tales are used to justify inaction and excessive deference to the status quo. While large, systemic changes must be approached with caution, incorporating opportunities to test, pilot, and iterate small-scale initiatives mitigates risk early and identifies projects with the potential to be expanded.

## 2. Recruit for potential

When determining suitability, the federal public service often homes in on a candidate's knowledge of a certain subject matter or specific sets of activity-based qualifications. But these criteria are not necessarily the best indicator of future performance. Requiring that candidates possess a certain level of experience can play a useful role in ensuring that hiring practices are merit-based, but the evaluation process must also be flexible enough to recognize high-potential applicants who may have more unique or diverse arrays of relevant experience. There is a danger in assessing applicants solely on the basis of rigid, predefined criteria, a danger that is only aggravated when expressed through highly specific job descriptions. It all becomes an exercise in box-ticking rather than a comprehensive and meaningful evaluation of a candidate's capacity.

It has become clear that recruiting for potential, though difficult, is ultimately a more rewarding means of evaluating talent. Leveraging new ways of determining an applicant's aptitude and embedding those methods into current hiring practices will go a long way to help the public sector grow millennial leaders to meet the complex challenges of tomorrow. Leading organizations are now using sophisticated technologies, including predictive analytics and applicant tracking systems, in order to zero-in on talent that meets both existing and future needs. By embracing these emerging technologies, government could more efficiently identify potential among larger pools of applicants, reduce long application timelines, and (eventually) evaluate key metrics of certain hiring strategies both within, and across, departments.

But while advanced digital tools will grow to be an important part of the solution, the first step is for government to reconsider the ways in which it identifies, selects, and recruits talent. To this end, trendsetters in the public service are piloting new types of job postings that emphasize clarity and plain language. These initiatives demonstrate the potential for even small, incremental changes to transform how hiring is done, in turn reinforcing the public sector's key value proposition to younger workers.

## 3. Mobilize careers

The prospect of internal mobility and diverse career paths is a major selling point for millennials, one that public sector leaders consistently emphasize. To be able to pursue hundreds of different opportunities with a single employer is eminently attractive. But, in order to keep retention rates high, the government must ensure that it is truly delivering on that promise. The same hiring methods that trouble new recruits affect internal hiring as well. Here, long processing times and duplicative document requirements hinder mobility within the public service. Employees are often denied stretch assignments—tasks designed to be short term and developmental—because their managers find it almost impossible to temporarily fill their vacancy.

Free-agent pilot programs, like the ones developed by Natural Resources Canada, may offer a solution. These programs, inspired by Deloitte's GovCloud approach, take emphasis away from top-down departmental silos and instead champion project teams drawn from an agile talent cloud and composed of individuals with varied backgrounds, skills, and qualifications. Previous Deloitte research has found that the GovCloud model offers a wealth of benefits, including more effective

knowledge exchange between individuals and agencies, greater adaptability, enhanced collaboration, and a focused and rational use of resources.<sup>22</sup>

To fully realize the model's potential, existing initiatives must be brought to scale. For both millennials and other workers, the cloud-based model offers the opportunity to move from highly vertical and hierarchical systems to ones that are more lateral and horizontal—and thus more intuitive and better aligned with worker expectations. Taken to their full potential, such models could finally help move public service structures “into the now.”

Furthermore, government must also facilitate greater movement between the public service and other sectors, particularly for mid-career public servants. Anne-Marie Slaughter, former Dean of the Woodrow Wilson School of Public and International Affairs at Princeton University, encouraged her students to be “triathletes” in their careers and combine experience in the big three sectors—private, public, and not-for-profit. Why? According to Slaughter, “solving public problems requires collaboration among government, business and civil society,” and in order to do that, “aspiring problem solvers need the culture and language of all three sectors and to develop a network of contacts in each.”<sup>23</sup>

Interchange Canada, which facilitates short work assignments, already has a working architecture in place to develop these triathletes. As a testament to the success of the program, our interviewees suggested it needs to be expanded upon and better publicized. But to encourage public servants to participate, the government must eliminate “skills discounting,” where experiences obtained outside the public sector are given less weight than their

internally acquired equivalents. Fostering programs like Interchange will also move government toward a model that actively values diverse life experiences, skill-sets, and ways of thinking.<sup>24</sup>

#### 4. Break out of the box

Cubicles remain the drab and uninspired norm for the workplaces of far too many offices in Ottawa and across the country. In an age when technology allows individuals to collaborate in real time on diverse projects around the world, the physical space of the 1950s-era office isolates employees more than ever. Replacing this so-called “Cubicleland” with a more dynamic workplace would not merely attract and help retain millennials, it would enhance the well-being of all employees, thereby improving their effectiveness on behalf of citizens. Deloitte’s research has shown that “the traditional office structure is almost completely at odds with how many millennials want to work. We risk disenfranchising them if we can’t close the gap between how they work best and the physical environments in which they are expected to work.”<sup>25</sup> That same research concluded that by embracing the advantages of the digital age and creating more dexterous and even remote workspaces, there is a corresponding reduction in absenteeism and an increase in productivity.

As stated earlier, the taxpayer-funded nature of the public service has made it difficult to justify workplace improvements of this kind. But why are they comparatively easy to justify in the private sector? Because the proof is in the payoffs that inevitably accrue both to the bottom line and to worker satisfaction. In conventional, fixed, cubicle-centric workplaces, space isn’t efficiently put to use: significant amounts

of space are left vacant for large amounts of time. More adaptable work environments, with limited or no assigned seating, serve the diverse daily needs of employees, present and remote, and reduce office footprints and associated expenditures—all while offering opportunities for improved work-life balance.

The same mindset that inspires radical redesign of physical space can also be applied to organizational structures and cultures. This means breaking down not just constraining cubicle walls but organizational walls, as well. Digital-savvy workers, millennials included, have less and less appetite for traditional hierarchies, narrow job categories, rigid departmental silos, onerous processes of approval, and command and control structures rooted in the organizational design principles of a bygone era. They want an integrated and networked model that focuses on achieving results fast. Catalyzing deep and meaningful change will therefore mean adopting a more flexible approach to job classifications and hierarchical structures, one that allows employees to break out of their boxes and enhances their ability to pursue professional development and generate results.

### 5. Incentivize innovation, drive diversity

Government isn't known for being innovative, and yet it's being asked to modernize its service delivery and streamline its work across discrete departments to address complex policy problems. While the broader question of innovation in the public service is beyond the scope of this paper, that government must do a better job recognizing and rewarding the innovative individuals already working within its ranks is unmistakable. How?

First, government needs to focus on better understanding the behavioural and personality profiles of public sector pioneers. Through our interviews, we heard that would-be innovators often lament that their creative talents go unrecognized and under-utilized. This oversight is specific neither to millennials nor to the public service, but rather spans generations and organizational types. Indeed, some work is already underway to help identify these forerunners, like the free-agent pilot program facilitated by Natural Resources Canada. Still, more needs to be done to diffuse these insights throughout the public service.

Second, once government is able to acknowledge the innovators on its payroll, it needs to appreciate them by encouraging and rewarding their efforts. Currently, the opposite often occurs. Viewed as a threat to existing practices, those who think differently can find themselves overlooked for promotion in favour of those more in sync with established patterns. This is not necessarily malicious: managers may unconsciously seek to promote those with whom they are well aligned. But over time, such unintentional processes will undermine innovators, while entrenching risk-aversion and the status quo.

The fact is, teams that embrace diverse perspectives perform better. On teams that think and behave in common ways, minority perspectives help avoid certain cognitive biases that lead to “cascades,” where decision-making momentum is guided by a continuous process of “self-censoring and group-think.”<sup>26</sup> To prevent cascades, teams need to ensure that they understand, and actively take advantage of, the distinct strengths of all their members.

“The culture created in the last 15 years will take a generation to renew. This is because current leadership grew up in that culture and now perpetuates it by selecting those that mirror it.”

**Senior public sector leader**





# Conclusion

It's time to change the way we think and talk about millennials in the public service. Young people want to work in government, and once they break in, they tend to stay. But the transformational potential of millennials, and of innovators in any demographic, has yet to be fully realized. Visionary public sector leaders have propelled government into taking important first steps toward adopting innovative policies and practices that aren't easily achieved in the face of long-standing legacy structures and deep-rooted standard operating procedures. And because of these trendsetters, this much is certain: the new golden age for the public sector is within sight.

But to get within reach, we must have the right conversations. We must courageously discuss the bold actions needed to harness the true potential of the federal public service's current and future talent resources. And we must empower millennials to leverage their novel approaches and diverse strengths in order to address the problems of the 21<sup>st</sup> century.

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