Digital organizations: The public sector’s millennial opportunity

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When talking about civil service, it is commonplace to hear that the government has a “millennial challenge” when it comes to attracting and retaining talent.¹ In 2014, the Brookings Institution estimated that millennials will make up 75 percent of the workforce by 2025.²

With 2025 being fewer than eight years away, millennials account for only 18 percent of the federal workforce today, compared to 32 percent of the overall U.S. workforce, indicating there is a lot of ground to cover.³,⁴
While millennials have been slow to join the civil service, the government has also been expecting the impending retirements of many of its employees. Federal Employee Viewpoint Survey (FEVS) results reported approximately 25 percent of federal employees are planning to retire during the next five years. Though this shift has been anticipated for some time, there is still a gap between the positions being left behind by federal retirees and the valuable millennial talent willing to fill them.

Reframing government’s “millennial challenge” into a “millennial opportunity”

The government likely needs to hire and retain new talent quickly to be able to meet this challenge. While this discussion is not novel, the approach towards addressing it can be. Rather than focus on the negative, the government should treat this gap as an opportunity to fundamentally transform some of the traditional organizational structures that may be limiting its potential to attract new talent. The time is ripe to transition to the new digital organization, which may involve a new approach to leadership, talent management, and the way work gets done in the government.

We all understand that the world is undergoing exponential technological change, but what might this mean for the government? Just like the private sector, the government should “modernize services, integrate emerging technologies, and leverage the newest thinking and boldest ideas” if it wants to be able to keep pace with these changes. The government has reached an inflection point that demands new approaches to effectively attract and retain millennial talent. Since it is virtually impossible and ill-advised to avert change that is occurring globally, why not take this moment to fundamentally transform the way government engages millennial talent? This generation of employees is different because they are the first generation that has been exposed to and has used exponential technologies for their entire lives. They are adept at using it and they expect to work and live with this capability at their fingertips. Generally, they possess the digital savvy and acumen that is currently in demand.

The government has an opportunity to take advantage of the skills digitally-savvy millennials have to offer, and it often begins with government leaders transforming themselves. Leaders can become digitally savvy by shifting how they think, act, and react. Effective digital leaders respond to the public’s need for quick problem-solving by engaging their people, promoting leadership at all levels, and fostering a more innovative, agile environment in everyday work. These are the kinds of qualities and environment that can help engage and harness the strength of millennial talent.

What do millennials want?
The millennial gap in public service is real, but why does it even exist? Although the work itself may be attractive to millennials, the perceptions of how the government does work may be contributing to this generation of talent turning away. Millennials are often attracted to professional opportunities involving social impact and service. This observation is evidenced by the increased number of millennials accepting non-profit and lower-paying jobs in exchange for doing work designed to have a positive impact on the world and that is aligned with their worldview and values. Corporations have taken note, as demonstrated by a general push for corporate social responsibility and sustainability initiatives that help make employees feel more connected and engaged in the company’s mission. Corporations are also emphasizing continuous innovation in these dynamic times, and this emphasis can help attract a younger workforce that is excited by cutting-edge technology and solutions.
So, how is this a challenge for the public sector if it essentially has a monopoly on social impact?

Government work may be perceived as slow-moving, bureaucratic, and less innovative than the private sector. In an MIT Sloan survey of federal employees, only 34 percent of federal respondents stated that “[their] organization is investing in innovation capabilities to build new products and services.” Additionally, more than half of federal employees surveyed were classified as belonging to organizations in “early digital maturity.” For a generation of talent eager to collaborate, innovate, and impact society, the government has a tremendous opportunity to present itself as an attractive employment opportunity. Many federal leaders are not effectively marketing opportunities that are appealing to digitally-minded individuals with new innovative skills that can impact government operations.

In addition to much of the government’s inability to effectively market itself to new millennial talent, retention also presents a challenge. Based on respondents from the previously mentioned MIT survey, the number of individuals that wanted to work at their organization “for less than a year” is double in the public sector than commercial sector. Instead of spending time trying to figure out how to retain millennials for a 20-year career, federal leaders should consider embracing the nuances of a new workforce that doesn’t necessarily see government work as a lifelong career, but as an opportunity to hone their skills in a mission-driven environment.

Becoming a digital organization

Many government organizations are in the business of doing social good, yet the gap in innovation and marketing strategies often leads to struggles in attracting and retaining millennial talent. Government work should work to transform into a digital organization that operates on a network of teams, thrives on empowerment, and encourages collaboration, innovation, and inclusive working styles. Millennials tend to see inclusion as a mandatory part of corporate culture because they value being heard and being part of the decision-making process. A digital organization applies an innovative mindset that enables its employees to leverage new technologies to help them achieve their mission. It adopts a mentality of collaboration, agility, and risk-taking that paves the way for technologies such as artificial intelligence and robotic process automation. These are the types of organizations that millennial talent typically flocks to in droves—think about innovative companies like Google, Amazon, Facebook, etc.—and it is the type of organization the government should strive to become to effectively deliver on its future missions.

There are notable examples of how public sector organizations have cultivated a digital mindset. Some examples of digital transformation in the public sector can be seen in agencies such as the U.S. Treasury Department and the Department of Health and Human Services. These agencies are using digital strategies to encourage greater innovation, collaboration, and citizen engagement.
To help avoid future challenges and promote an energized workforce, the government should enable its young leaders to drive solutions to its most vexing challenges and free them from bureaucratic inertia. Government can capture its natural competitive advantage of global reach and impact by becoming a true digital organization designed to help attract the next generation of talent.

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Enablers of a digital organization
If the government wants to become truly digital, then it should work to cultivate a specific mindset. This mindset is driven by two main factors: (1) the organization’s people, and (2) the technological changes that follow. The transformation to a digital organization involves both of these enabling forces. New technology is essential, but it won’t be effective without a change in thinking.

In the following sections, we’ll explore this combination of people and technology through digital leadership and digital labor to help illustrate what these enablers typically look like in practice.

People – developing digital leaders
According to the 2017 Deloitte Human Capital Trends report, which offers a baseline framework of some of the existing challenges commonly faced by the federal government, “Today, as never before, organizations do not just need more strong leaders, they need a completely different kind of leader.” In fact, it is becoming increasingly apparent that “organizations need to build a new breed of younger, more agile, ‘digital-ready’ leaders” who can augment the institutional knowledge offered by more traditional leaders.

To help welcome this new pipeline of talent, existing executive leaders should embrace the digital age while addressing employee concerns about process modernization efforts.

In short, digital leadership means having engaging leaders at all levels that value and pursue opportunities to take advantage of — rather than avoid— times of disruptive transformational change. These leaders align their people and business strategies by empowering teams to experiment, innovate, and scale through standard platforms and processes in an effort to meet the challenges of the day.

Developing digital leaders effectively requires a multifaceted approach that involves changing the culture, physical environment, and technology of an organization. Changing the culture and physical environment helps to introduce an enjoyable workplace that enables productivity through modern communication methods, digital tools, and apps that promote holistic employee experiences focused on engagement, wellness, and sense of purpose. Employing new technology helps to bring people together to collaborate, innovate, and simplify employees’ lives—and that in turn fosters further exploration of technological tools that embolden the workforce to achieve the mission in new ways. This reciprocal process helps create a more meaningful work experience. One of the most effective accelerators to achieving a digital environment is using digital labor.

Technology – leveraging digital labor
Digital labor, which couples robotics process automation with data analytics capabilities, can not only create efficiencies and reduce administrative costs for government agencies, but it can also help to attract and retain top millennial talent. The technology allows administrative, repetitive, and rules-based transactional tasks to be automated using “bots” that have their own credentials and interact with systems at the user interface level. By using bots to automate processes, digital leaders can transform their workforce from data collectors and inputters to data users and decision-makers.

Not only can the digital laborers perform tasks more accurately and at a faster pace, but the typically short stand-up times, scalability, and low cost enable rapid return-on-investment (ROI). Thus, as the bots manage the repetitive and mundane tasks, digital leaders can quickly
reallocate the focus of their workforce to the more complex, exploratory, and often interesting work that time and budget constraints might have previously prevented. By providing roles and experiences that empower people to focus on these core mission activities and think critically about issues, digital leaders can strategically create an environment that helps the workforce feel more connected to the purpose of the organization.

The opportunity for digital labor to extend even further beyond the automation component into analysis and decision-making offers incredible potential for government, but automation offers a key first step toward transforming the perception of bureaucratic and transactional public service into a mission-centric career opportunity. As the workforce transitions to encourage leadership at all levels, what other tools can help free government from these transactional constraints and redefine the nature of work for its employees? This is the environment most likely to help draw in and retain millennial talent.

People and technology working together
Currently, a disconnect exists between millennials’ mission-driven tendencies and the transactional work they are often tasked with in entry-level government positions.22 Herein lies the government’s opportunity to attract a new generation of talent. Marketing a new digital organization that provides meaningful work with a new employee experience can help capture the interest of millennials. This involves empowering government employees to take the lead in both developing digital workforces and deploying technology that changes how people work and how they interact with each other in the workplace.23

Digital leaders think, act, and react differently than traditional leaders, fostering a culture of engagement that focuses on worker satisfaction. Agencies should create an organizational culture where there is an opportunity and responsibility to demonstrate leadership at every level. Furthermore, by utilizing tools such as digital labor, agencies can transform the way that millennial talent is utilized in government to help meet the demands of the 21st century.

Digital leaders should create a culture that empowers millennials and encourages them to succeed by providing:

- Chances to learn on the job and flexibility to lead teams and projects
- Support from senior leaders and the ability to explore various opportunities
- Opportunity to reverse-mentor senior leaders on the technology, work practices, and culture of younger employees who were raised with technology at their fingertips

Ultimately, transitioning to digital leadership will likely challenge many agencies to create a culture where decision-making is not limited to a group of senior leaders, but rather an opportunity and responsibility applicable to all levels of the organization. In this culture, millennials can feel empowered to make an impact, thereby shifting the development conversation to more strategic aims – risk management, decision-making, innovation, and the art of motivating and empowering people.24
The future is now

While large-scale, transformational ideas are important for defining the future, there are tactical steps that government leaders can take today to help attract the next generations of talent.

Undoubtedly, government has an opportunity to more efficiently attract and retain millennials in public service.

By redesigning their organizations to harness the potential of the digital age, government agencies could empower a new generation of young talent to focus their specific skills and perspectives towards leaving a lasting societal impact. Ultimately, the transition to a more digital organization could change the way in which government work is perceived and thus, take a significant step in making government the next destination for top millennial talent.

1. The first step to consider is improving marketing and messaging. Public service is a mission-driven culture that should embrace technologies and processes that offer enjoyable and meaningful work experiences.

2. Secondly, many government leaders should begin changing the way they think, act, and react in the digital age. Indeed, this approach helps attract leading talent. However, it also can help reassure the American people that our government is dedicated to innovating and placing the most appropriate people on key initiatives that are designed to sustain and advance our nation.

3. Third, years of hierarchy and overly cautious approaches may take years to unlearn. However, government leaders can start today by investing in training and coaching that fosters an innovative, collaborative, and engaging environment. Ultimately, this transition can help put organizations on the path towards a more innovative culture that prioritizes bringing big ideas to public service.

4. Finally, government can begin incorporating process robotics into its transactional work to help free up employee time to deliver on the mission. Prospective talent is often resistant to paying years of dues in transactional processing before engaging with the mission, so consider automating that step. Using technology to change where new employees focus their time can tangibly affect the reality of public service.

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Endnotes


11 ibid.


13 ibid.


18 ibid.

19 ibid.


23 ibid.