



# Can the Millennial generation rescue government?

*Leveraging digital natives in your transformation efforts*

## Executive Report

Government

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## *Engaging the Millennial mindset*

*Despite efforts to transform services through technology, government organizations are trailing behind the private sector in the digital revolution. Yet today's citizens expect government to provide the same conveniences they experience as consumers – including information and services when, where and how they want them. To help close the gap, we suggest government leaders engage Millennial employees in their transformation efforts. As digital natives, Millennials offer the skills and perspectives that can help reimagine government for the digital era.*

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## **Executive summary**

Keeping pace with technological change in this digital era is taxing for even the most agile organizations. Despite best intentions, many government organizations continue to lag behind the private sector when it comes to modernizing services and keeping pace with accelerated change.

Citizens experience this lag through disconnected systems, difficulty accessing information and waiting on the phone or in an office for hours because governments cannot always provide self service. Yet as consumers, their experiences and expectations have been significantly altered by other industries that are aggressively moving forward with their own digital transformations. An experience with a retailer or bank, for example, might stand in stark contrast to a government interaction.

Governments across the world have created many citizen-facing applications. However, the comprehensive single-point-of-entry that enables people to access multiple department programs through a single interface is still not the norm. Citizens continue to encounter channels that are disconnected and require multiple log-ins or visits to multiple departments to receive services to meet all of their needs.

Meanwhile, the digital era continues to usher in new technologies, which are generally embraced by all, but in particular, by the Millennial generation. With this comes an ever-rising expectation for ease of use, transparency, performance and speed, which means the gap between government service and citizens' expectations will only widen.



As the world rapidly embraces digital technologies, government organizations continue to fall behind.



Technology is enhancing user experiences across industries – and government is expected to keep pace.



Millennials are digital natives with the skills and desire to make a difference.



Actively engaging Millennials in digital transformation efforts is critical for government.

In many locales, government is already woefully behind. Can government catch up? Can Millennials help lead the charge in transforming governments in the new digital era?

In this report, we explore the challenges government organizations face in the digital age and how the Millennial generation can help. Our research, which included a workshop and social media study, revealed that Millennial-aged government employees can and want to engage in transformation projects. We reveal insights and outline key actions that government can and must take to embrace the digital age. By leveraging Millennial employees, government leaders can begin turning today's digital challenges into tomorrow's opportunities.

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## The realities of the digital era

Digital technology is changing how individuals expect to interact and connect with one another, businesses and government. As part of this, they expect not only improved efficiency, but also optimized interactions across mobile, social and web. When done well, the integration of digital channels creates a seamless omni-channel experience, enabling people to get information when and how they want it. As citizens experience this in their daily interactions as consumers, they assume they should have that improved experience everywhere, including interactions with government organizations.

With the appetite for transformation so high, why is government progress so slow? Siloed departments, differing agendas, procurement requirements, political influence, security issues, and legislative and regulatory concerns are often cited; however, we believe the root cause runs deeper. Fundamentally, the approach to transformation has been flawed in two critical areas: 1) Methods and approaches used to envision and create the future transformation requirements and design systems, and 2) Types of people participating in the transformation process.

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*“...citizens demand a superior customer experience from their governments, and expect them to utilize and embrace the latest technology – just like what they would expect from major corporations.”<sup>1</sup>*

**Nicole Fortunaso**

Vice President of Government Solutions, iPerceptions

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*“The emergence of new infocomm technologies calls for fundamental rethinking and transformational shifts in the way we look at e-government.”<sup>2</sup>*

**Teo Chee Hean**

Deputy Prime Minister, Coordinating Minister for National Security, Minister in charge of the Civil Service and Minister for Home Affairs, Singapore

Can the Millennial generation rescue government?

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Typically, transformation projects start with traditional as-is and to-be approaches that focus on internal user and technical improvement requirements. Project teams view problems through the lens of operational needs, rather than taking a hard look at resolving citizens' pain points. Using this traditional method, governments engage mid- to senior-level government employees as subject-matter experts (SMEs) to help design the processes and systems targeted for transformation. These SMEs are asked to re-imagine how services should be delivered – often the very services they have delivered the same way for many years.

However, these SMEs often have no incentive to envision the future state, free of all current policies, regulations or legislation. Furthermore, they are often understandably wary of automation or changes that could affect their jobs or their team members' jobs. Effectively, there are no built-in rewards for radical transformation. The result, not surprisingly, is they often revert toward siloed thinking without adequately considering their solution from the citizens' point of view.

So how can government keep pace in a rapidly changing world – one where the use of technology is accelerating and user experience expectations leap frog every time a disruptive service such as Uber hits the marketplace? We believe disrupters who think differently are required.

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## Enter the Millennial generation

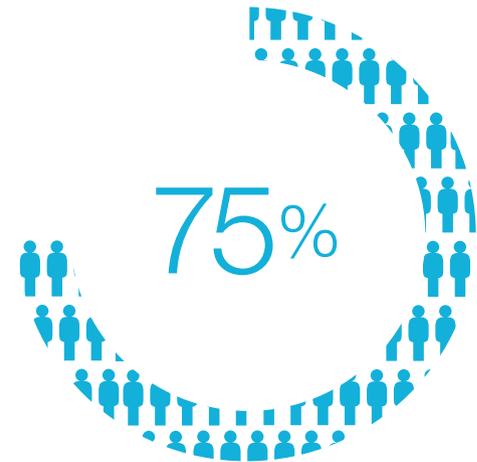
Millennials, which we define as those born between 1980 and 1993, will make up 75 percent of the global workforce by the year 2025 (see Figure 1).<sup>3</sup> As noted in the 2015 IBM Institute for Business Value Millennial study, “Millennials are the first generation to grow up immersed in a digital world. Using mobile and social technologies; immediately accessing data, ideas and inspiration; and instantly communicating and collaborating are second nature for these digital natives.”<sup>4</sup>

As more Millennials enter the workforce and rise to leadership positions, they are envisioning how things might be done differently, and their ideas and expectations are, in large part, fueling the digital transformation we see in the private sector today. For example, our 2015 IBM Institute for Business Value Millennial study revealed that 60 percent of Millennials believe their organization does not do a good job when it comes to customer experience.<sup>5</sup>

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**Figure 1**

*By 2025, Millennials will make up three quarters of the global workforce*



*Source: Barrett, Katherine, and Richard Greene. “Can Government Hiring Get Out of the Stone Age?” Governing Magazine. February 2016.*

But this move toward digital isn't only focused on improving customer experiences. Companies also recognize that to attract and retain Millennials and win the talent war, they need to improve the employee experience as well.

Millennials are also an attractive change agent for government. Their well-known desire to volunteer and give back to the community makes public sector jobs a great fit, but there are some challenges. Millennials want to contribute to and be an essential part of social change on day one. Unlike employees from past generations, who may have felt the need to wait in the ranks and pay their dues before asserting themselves, Millennials are eager to be part of the solution – today. This expectation can leave them frustrated if they are unable to contribute based on the traditional government transformation process.

Additionally, Millennials understand how technology can enable the right balance of efficiency and personal connection. Whether interacting with friends using social media platforms or using mobile applications for shopping and banking, Millennials consider collaboration tools part of their everyday lives.

Millennials – as well as other digitally savvy employees – have an expectation that this way of accessing information and connecting will translate into the workplace. They can become frustrated with a government job that doesn't offer connected systems.

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## Mining the Millennial mind

If digital transformation is the very thing Millennials want as employees, can we proactively make them part of the solution?

To help answer this question, we conducted a workshop with Millennial-aged employees in the public sector (see the *Study approach and methodology* section). The objective was to better understand their perspectives on government and solicit their views on how best to transform it for the digital era.

The workshop focused on the use of social media and other digital channels to generate ideas on how to accelerate government transformation. Participants were divided into teams and asked to brainstorm ideas on both the citizen and employee experience in and with government. The discussion and results were both illuminating and consistent with what we have heard across other industries. One of our workshop participants succinctly stated, *“Make my experience easier and more personalized.”*

### **The citizen experience**

The initial discussions centered on the citizen experience. Participants identified what they felt were the top requirements for improved citizen engagement:

- Single access to services – A simple, single entry point to access all government services.
- Simpler messages – Clear and easy to understand.
- A greater government social media presence – Ability to engage in conversations with government in real time and gain information and insight into government via social media.

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*“Many [Millennial government employees] become disillusioned as their efforts to inject new ideas into a strongly protected system are met with stiff resistance.”<sup>6</sup>*

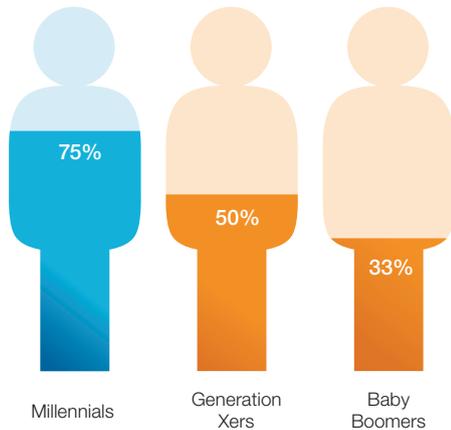
**Alex Tremble**

CEO of GPS Leadership Solutions

**Figure 2**

*As digital natives, Millennials are comparably more savvy in the use of social media*

**Percentage with a profile on a social networking site**



Source: "Millennials: Confident. Connected. Open to Change." Pew Research Center: February 2010.

As participants brainstormed, other ideas for improving citizen services and communication emerged:

- Explore how to leverage digital technology in elections (digital voting).
- Create a digital profile for citizens that informs government how to serve them better over various channels.
- Advocate the extensive use of electronic documents.

There were also discussions about how to make government more relevant. Specifically, participants suggested ways government could use data to gain better insight into citizen needs and concerns and, thereby, become more agile and dynamic:

- Establish a clear social and digital strategy to allow communication with citizens.
- Use social media as a means for stakeholder engagement (with businesses, specific organizations and/or interest groups). Possible strategies include creating chat rooms, access to help online via web or live agent and creation of electronic forums for discussion.

It's not surprising that workshop participants suggested strategies that utilize social media as an engagement tool. After all, as digital natives, Millennials are much more likely to be active in social media than Generation Xers or Baby Boomers (see Figure 2).

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While digital transformation comes with a price tag, participants felt it was necessary for government to become more cost effective in the long run. For example, by embracing digital technology and collaboration methods, government could put more processes online in an integrated fashion and engage in continuous conversations with citizens via low-cost social media channels. This approach could provide cost efficiencies while also enabling real-time communication channels and the self-service options Millennial citizens desire.

### **The Millennial employee experience**

The workshop's second main focus area was the employee experience. Several questions guided the discussion:

- How can government organizations keep Millennial employees engaged to help drive the transformation so badly needed?
- What would make government a better place for Millennials to work and contribute?
- What can be done to improve flexibility, attract/retain talent and foster collaboration among employees?

A common message emerged: "Help me be part of the solution." Participants expressed their wishes to actively contribute to make government a better place to work. In addition to desiring more flexible work schedules and locations, they also are interested in sharing resources to create a more efficient workplace, brainstorming to solve problems, and using agile, iterative approaches to pilot new ideas. They also advocate working through solutions quickly and celebrating failures on the path to innovation.

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*“The federal public service must innovate to attract more young people.”*

**Social media comment**

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*“We are really well served by an excellent public service, but we have a lot of work to do in engaging Millennials more fully, in terms of transforming our public service to be open, more accountable, more transparent and less partisan.”<sup>7</sup>*

**Scott Brison**

Treasury Board President, Canada

In discussing how to attract the best talent, participants suggested greater transparency, an easier path to join government, less bureaucracy, and enhanced talent management and knowledge-sharing systems. Indeed, these professionals felt that enhanced technology is needed for greater levels of collaboration. They also believe that if leveraged effectively, collaboration technology could enable government to more easily tap the knowledge, skills and creativity of younger employees.

The outcome of the workshop was clear: the Millennials' vision of the government of the future is one unencumbered by current long-standing processes and approaches. They offered creative ideas for leveraging technology (some of which aren't typically used in government today) and innovative suggestions about how to drive better service to citizens and create a more collaborative environment for employees.

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## Listening to social media

To test the key messages from the Millennial workshop, a social media sentiment analysis was conducted, pulling social comments from Twitter, blogs and other online conversations (see the *Study approach and methodology* section for more information). This analysis, which summarized millions of users' thoughts and feelings about the ideas raised in the initial workshop, echoed what we heard from workshop participants.

Many comments that surfaced in our social data analysis related to Millennials wanting to do more than make a living – rather, they want to make a difference. In public service, there continues to be an opportunity to make a difference.

We also found support for the idea that more Millennials would seek out government jobs if the hiring process were more transparent and flexible. One comment from the social media analysis included these recommendations: “The federal public service must innovate to attract more young people. We need less rigid hierarchies, fewer layers of bureaucracy, more open and transparent decision making, a culture of intelligent risk taking, more opportunity for continuous learning and greater mobility in and out of government.”

While many of the Twitter conversations were constructive and positive, there were also some criticisms of government today, in particular, relating to obstacles that hinder Millennials' career advancement:

- *“Creativity/innovation is not valued.”*
- *“Short contracts, little job security. Difficult to move from contract to permanent. Difficult moving up the career ladder.”*

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*“While young people can make a difference in the world through an NGO or in the private sector, the same smart, talented, idealistic young person can change the world through public service, given the right tools.”*

**Social media comment**

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*“Wired to the world, they are more likely than past generations to see the globe’s problems as their own. Millennials are eager to serve the greater community through technologies, paradoxically, that empower the individual.”<sup>8</sup>*

**Rob Fournier**

Columnist, *The Atlantic*

Other comments made a strong case for government transformation:

- *“The red tape of government has us working with aging technology and makes even the simplest tasks long and onerous.”*
- *“Little autonomy over your own work (even at executive management levels). Executive management lost in the details. Creativity/innovation is not valued.”*

All in all, the social media analysis underscored the themes revealed throughout the workshop. Millennials are interested in philanthropy and want to feel they are contributing to society as a whole. Governments can do a better job attracting Millennial talent by making the employment process simpler and more transparent. And once employed, Millennials want to help make improvements for both employees and citizens.

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## Reimagining government in the digital era

There is not one quick fix to this complex transformation issue. However, there are five key things governments can and must do today to better leverage the insights of the new digital generation.

### **1. Use an approach that yields citizen-centered outcomes at speed and scale.**

What successful digital transformations today really reinforce is that adoption of new technologies and processes is what really matters. Adoption occurs by appealing to the user and putting the user at the center of the design process. A design thinking approach, which focuses on user needs, provides a framework for teaming and action. It helps teams not only form intent, but deliver outcomes – outcomes that advance the state of the art and improve lives. This approach puts users' needs first and uses multidisciplinary teams to collaborate across disciplines to move faster and work smarter. It also instills a discipline of restless reinvention. By optimizing systems and interactions for the users, we can truly transform how people interact and perform tasks to create a frictionless experience.

### **2. Make sure Millennials are represented equally along with seasoned employees, users and citizens when staffing transformational initiatives.**

Multidisciplinary teams aren't just faster – they're smarter. Seeing the world through each other's eyes drives unique insights, advancing the whole team's thinking. Put people new to the problem alongside those with deep working knowledge. Ensure all ideas are considered regardless of the seniority of the person tabling them.

### **3. Ignore the traditional immovable objects – and consider wild ideas in the ideation process.**

While issues of security, regulation and legislation must be considered, try not to encumber creative thinking by these policies – in fact, foster the wild ideas. While this might be considered heresy to most long-term government employees, it frees design teams from

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*“By engaging young people, government can open itself to new ideas, methods and results that otherwise wouldn't be possible.”<sup>9</sup>*

**Eric P. Lesser and Ryan C. Fattman**  
Massachusetts State Senators

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*“To put it simply: We want a government as efficient as Uber, as connected as Facebook and as simple as Venmo.”<sup>10</sup>*

**William Handke and Ross Pomeroy**

Authors of “We’re Millennials – Hear us Roar”

being tied to the way things are done today. This ensures that they look at all the best ideas when designing for the user’s needs and don’t discount the possibility of making security, legislative, or regulatory changes necessary to accommodate a transformational idea.

Remember, industry disrupters like Uber are not concerned by the immovable objects – even though they realize they can and do appear. Disrupters focus on the user needs and experience.

#### **4. Re-evaluate hiring practices to make acquisition of Millennial top talent easier.**

Faster paths to permanent positions based on value delivered to the organization, shortened hiring cycles, clear career paths, promotion and skill-building roadmaps, and the ability to make a difference from where they are in the organization will make an incredible difference in attracting and retaining top talent.

#### **5. Improve collaboration tools and transparency to enable greater efficiency within government.**

Millennials use technology in their everyday lives and, in many cases, as a way to improve communication and efficiency. As an extension, they expect better technology and digital collaboration tools to help them do their jobs and connect with others. There is often frustration with the siloed approach of many governments today. Millennials want to collaborate across government to deliver the best possible service to citizens and expect modern tools to facilitate that.

Embracing Millennials in large numbers, including them in transformation projects and embracing collaborative techniques and technologies in the business of government will bring fresh new thinking from a generational group used to rapid transformation. These disrupters, if embraced and leveraged for who they are, just might rescue government.

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## Ready or not? Ask yourself these questions

- Is your organization actively recruiting and using creative approaches to retain top-talent Millennials?
- Are you actively engaging and including the Millennials in your workforce in transformation projects? Are you fully leveraging their digital skills and fresh insights and ideas?
- Are you embracing agile and design thinking approaches in your transformational projects to put the user at the center of your design?
- Are you enabling an environment of creativity and collaboration so you can generate innovative ideas that may positively disrupt the way you provide services today?

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**Study approach and methodology**

In conjunction with the Institute of Public Administration of Canada (IPAC), IBM conducted a workshop with Millennial-aged public sector employees with less than five years of service. The objective of the workshop, held in November 2015, was to better understand these employees’ perspectives on government and solicit their input on how best to transform it for the digital era.

Our research also included an analysis of social media. We examined hundreds of thousands of online conversations on various blog, forum, media and review sites, as well as Twitter, between January and December 2015. Analytics tools were used to analyze key search words, terms and queries to gather insights on conversation patterns and trends.

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### **Contributors**

Thanks to Carolyn Heller Baird, Global Research Leader – Customer Experience and Design, IBM Institute for Business Value, and Dave Zaharchuk, Global Research Leader – Government and Education, IBM Institute for Business Value, for their contributions.

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