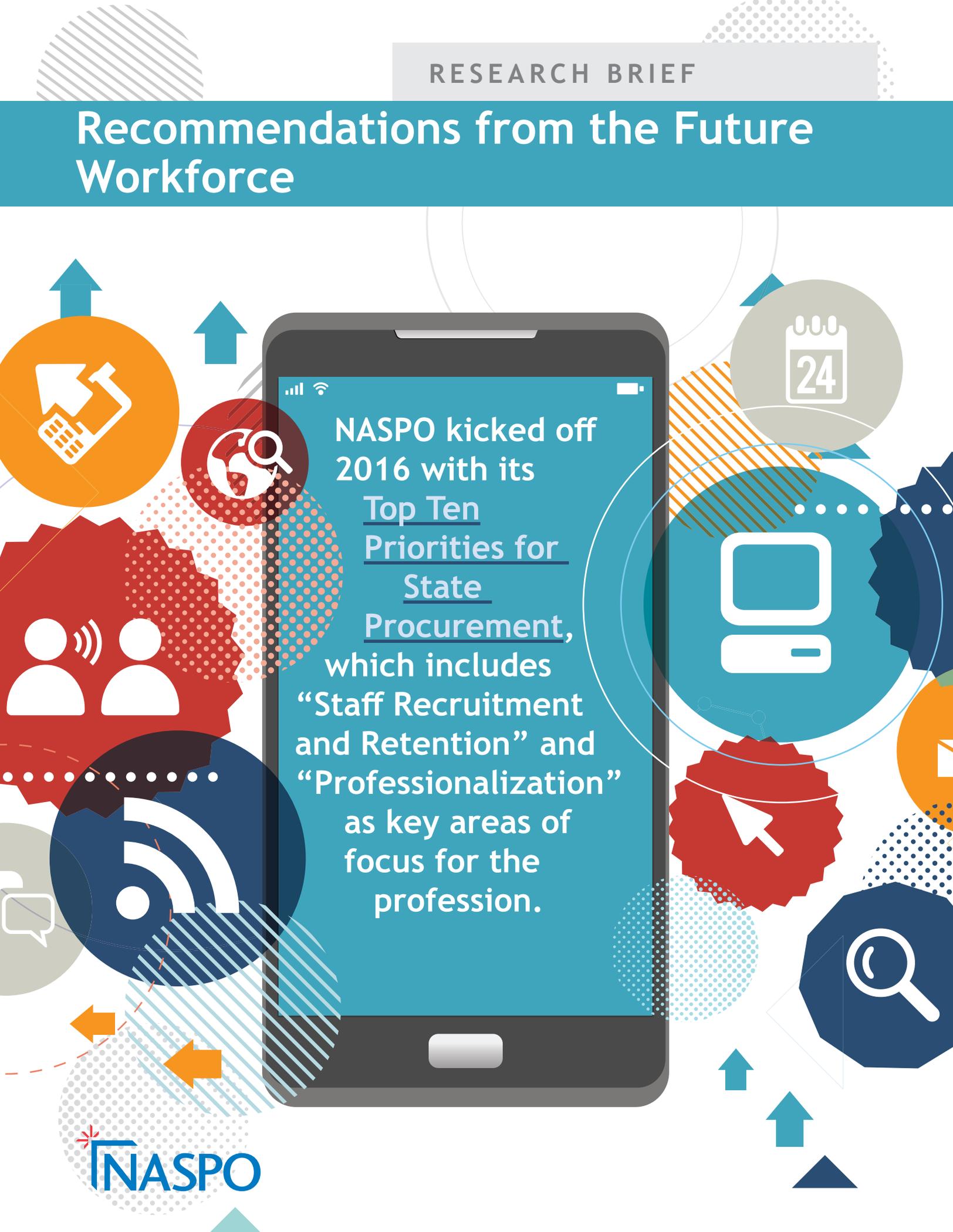


# Recommendations from the Future Workforce



NASPO kicked off 2016 with its Top Ten Priorities for State Procurement, which includes “Staff Recruitment and Retention” and “Professionalization” as key areas of focus for the profession.

According to the U.S. Census Bureau, the Millennial generation is now the largest generation in U.S. history, and represents more than one quarter of the nation's population.<sup>1</sup>

Additionally, state and local government human resource managers ranked “recruiting and retaining qualified personnel,” “succession planning,” and “staff development” as the most important issues they are facing for the second year in a row through a recent [Center for State and Local Government Excellence survey](#). That same survey finds 54 % of surveyed governments indicated that retirements were higher in 2015 than the year before. Does this increase signal the start of the so-called “silver tsunami” for state government? If so, understanding the future workforce is even more critical to allow state procurement offices to better prepare for and react to staffing challenges they are facing. Generation Y, more commonly known as “Millennials,” will play an increasingly dominant role in building the future workforce, helping to fill the gaps left in the wake of the “silver tsunami.”

To better understand and address recruitment and retention challenges, NASPO's Emerging Issues Committee formed a work group to consider the future of the state procurement workforce. Having recognized the need to better understand Millennials as the generation to replace the retiring Baby Boomers, this work group gathered resources, hosted webinar group discussions, conducted one-on-one interviews and an online focus group with young Millennials already working in state procurement offices across the country to form a foundational knowledge of the changing procurement workforce landscape. While there is no “silver bullet” to fix every staff recruitment and retention challenge a state might face, improving states' understanding of the future workforce with ideas and recommendations for the public procurement office is a great place to start.

## Defining a Generation

According to the U.S. Census Bureau, the Millennial generation is now the largest generation in U.S. history, and represents more than one quarter of the nation's population.<sup>1</sup> While exact generational timelines vary based on source, the Millennial generation usually refers to those between ages 15 to 35 in 2015, or those individuals born between 1980 and 2000. Millennials have grown up in a globalized world, connected to the Internet with information and entertainment at their fingertips, and this affinity for technology

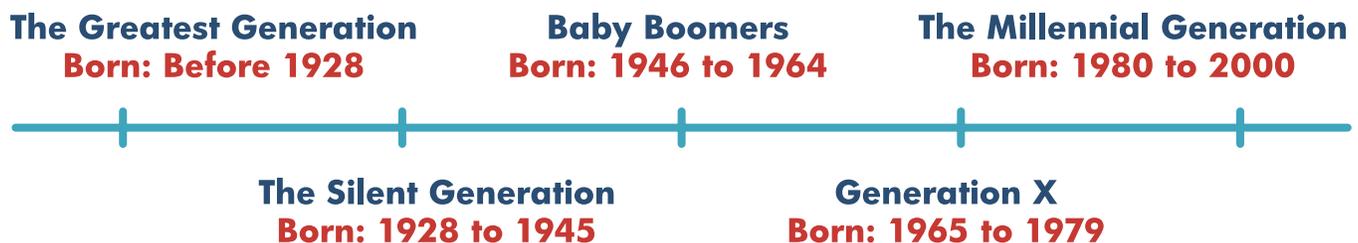
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<sup>1</sup> U.S. Census Bureau. (2015). Millennials outnumber baby boomers and are far more diverse, census bureau reports. Retrieved from <http://www.census.gov/newsroom/press-releases/2015/cb15-113.html>

shapes how they live and work. This is the first time a generation is entering the workplace with a better grasp on a key business tool—technology—than more senior employees.<sup>2</sup> Generally speaking, Millennials are a generation that is more social and more connected than any other before, and it shows, not only in their communication styles, but in the way they look for and evaluate jobs.

Like all generations, Millennials are also over-stereotyped by the media and press. As a confident group, Millennials’ self-assurance is sometimes interpreted as entitled and narcissistic, and they are often billed as lazy, uncommitted workers with “one foot out the door” and no idea how to handle responsibility outside their parents’ nests. However, it is easy to be caught up in the oversimplification of the Millennial generation, and employers should be cautious to not apply generalities and oversimplified labels to the entire Millennial workforce, let alone the different generations within the same work environment. The current U.S. labor force consists of at least four generations, the Silent Generation, Baby Boomers, Generation X, and Millennials. A strong work environment must accommodate all generations, as well as the uniqueness of each individual person. In fact, the individuality of Millennials will often fit far outside the “typical description” applied to their generation, and some might argue this is an inherent part of the diversity of this particular cohort.

# THE GENERATIONS DEFINED

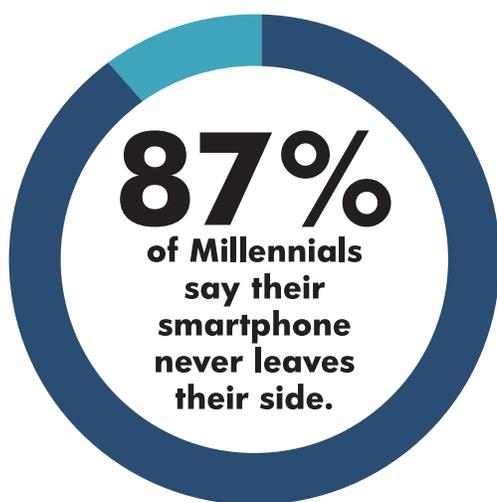


As the most ethnically diverse generation, Millennials tend to be more accepting of others and open-minded about differences. They have also grown up in a world with significant financial burdens. According to data from the U.S. Bureau of Labor Statistics, and a study conducted by Goldman Sachs, “lower employment levels and smaller incomes have left younger Millennials with less money than previous generations,” and as a generational whole they are buried in student loan debt that is growing at amazing rates.<sup>3</sup> It is really no surprise then that Millennials are looking for the best financial fit upon graduation, even if that means moving back in with family.

<sup>2</sup> PricewaterhouseCoopers. (2013). Millennials at work: Reshaping the workplace. Retrieved from <http://www.pwc.com/gx/en/managing-tomorrows-people/future-of-work/assets/reshaping-the-workplace.pdf>

<sup>3</sup> Goldman Sachs Global Investment Research. (2016). Millennials coming of age. Retrieved from <http://www.goldmansachs.com/our-thinking/pages/millennials/>

While most people think of the Millennial generation as preferring to communicate exclusively electronically, the focus group participants actually preferred a healthy mix of both in-person and electronic means.



Most of the Millennials who participated in the Emerging Issues Committee’s focus group are relatively new to their positions in state procurement, with seven of the 10 participants having worked in state procurement for two years or less, each with varied education and work backgrounds that have brought them into the procurement field. Business administration and public policy degrees were the most common among the participants, but other backgrounds ranged from Juris Doctorates and Paralegal Studies to an Associate Degree with a certification in contract management. This variety shows that there is likely not one single degree program that is leading Millennials into procurement, and it is therefore particularly difficult to pinpoint the best educational source of talent for state procurement professionals. Hiring managers and procurement officials should keep this in mind when recruiting from the Millennial generation.

## Communication, Work Style, and Motivation

### COMMUNICATION

One need only review the statistics on adult cellphone or smartphone ownership in the United States to see where the current apex of modern communication lies. According to the Pew Research Center, as of 2015, 68 % of all American adults owned a smartphone. In fact, smartphone ownership is reaching “the saturation point” with some demographic groups, with 86 % of adults aged 18 to 29 owning smart phones, and 83 % of those aged 30 to 49.<sup>4</sup> It is no surprise that Millennials are the heaviest users of smartphones, with 87 % saying that their smartphone never leaves their side.<sup>5</sup> Keeping this in mind, it is easy to then understand that Millennial employees will not react positively to seemingly archaic rules restricting or limiting the use of smartphones at the office. Millennials tend to view smartphones as a tool to help them do their job better, not something that keeps them from being productive. Understanding this monumental shift in communication style over the last 10-15 years is key to keeping procurement offices modern and attractive to today’s workforce.

While most people think of the Millennial generation as preferring to communicate exclusively electronically, the focus group participants actually preferred a healthy mix of both in-person and electronic means. A recent PricewaterhouseCoopers (PwC) study supports

<sup>4</sup> Pew Research Center. (2014). Internet Project Survey. Retrieved from <http://www.pewinternet.org/data-trend/mobile/cell-phone-and-smartphone-ownership-demographics/>

<sup>5</sup> Mitek & Zogby Analytics. (2014). Millennials smartphone report. Retrieved from <https://www.miteksystems.com/resources/2014-zogby-analytics-Millennial-study>

Generation X and Baby Boomers, often in equal numbers to Millennials, tend to care more about having a flexible work schedule than they do pay and promotions.<sup>7</sup>

this, reporting that only 41 % of Millennials prefer to communicate electronically at work rather than by telephone or face-to-face.<sup>6</sup> One focus group participant said “I like a mix. I think face-to-face meetings are important to develop relationships, but most collaboration can be done via email and telephone.”

Millennials constantly have their smartphones at their side, but sometimes prefer to speak face-to-face or via telephone when at work. In reflection, what implications does this seemingly contradictory information have for the workforce of the future? Simply that flexibility is the key when it comes to work and team communication. One focus group member perhaps put it best when he noted, “I use electronic communication to ensure accuracy, phone communication if there is urgent information needed, and face-to-face communication if there will be a detailed, prolonged discussion.” Giving employees the choice of how to communicate with each other will allow them to choose a means that will lead to maximum productivity.

## WORK STYLE

Flexibility is the key when it comes to communication in the work place, and the same can be said when it comes to Millennials and work style. Societal structures and priorities have changed and progressed in the past few decades, creating a need for employees to be able to work in new and smarter ways. Work-life balance is cited as the most important priority for Millennials when choosing a career, but they aren’t the only generation who cited this as a priority. Generation X and Baby Boomers, often in equal numbers to Millennials, tend to care more about having a flexible work schedule than they do pay and promotions.<sup>7</sup> One focus group member noted that “it’s nice to be able to work from home when your child is sick, or [to have] the ability to build a work schedule that’s better suited to your family life, and still allows you to accomplish what needs to be done at work.” Providing employees alternative work schedules with flex options may not only lead to the higher retention of Millennials, but also may make employees from all generations happier and more productive.

Technology also plays an important role in flexible work style. Millennials make social connections online, through sharing photos and updates with friends in an instant, and they want that same kind of connectivity when it comes to work. Employers who make the effort to keep up with rapidly changing technology and provide Millennials with mobile work technology like laptops and tablets are likely to attract and retain younger employees. Telecommuting full

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<sup>6</sup> PricewaterhouseCoopers. (2013). Millennials at work: Reshaping the workplace. Retrieved from <http://www.pwc.com/gx/en/managing-tomorrows-people/future-of-work/assets/reshaping-the-workplace.pdf>

<sup>7</sup> Pew Research Center. (2013). PwC’s NextGen: A global generational study. Retrieved from <http://www.pwc.com/us/en/people-management/publications/nextgen-global-generational-study.html>

or part-time is also an important option to consider offering. Most NASPO members work in a capital city, and oftentimes traffic and commuting can cut a lot of time out of the day, not to mention the additional parking and transit costs. The ability to work from home one or two days a week can cut down on the lost time sitting on a freeway and allow employees the freedom to choose where they think they can be most productive on a given day.

## MOTIVATION

Productivity can be measured in many ways, but when it comes to Millennials, they prefer to gauge success by looking at the end-product rather than the number of hours they worked in the office. The idea that Millennials are not motivated by higher ideals is misplaced. “I’m a public servant, that is what I’ve decided I wanted to do,” says one of the webinar participants. He is motivated by seeing the personal effect of giving someone the opportunity to get workforce development training that will change the course of their lives. Another focus group member loves “being a part of something bigger than myself.” Careers in public procurement can provide a unique opportunity to allow Millennials to see the tangible results of their hard work, more so than many other fields.

**“I’m a public servant, that is what I’ve decided I wanted to do.”**

**—Millennial Webinar Participant**

Sometimes however, being a part of something bigger has to be put on hold in order to pay the bills, and bills are something that Millennials have plenty of. As one Millennial participant put it during the discussions, “we are all working to pay bills.” It is important to remember that the Millennial generation are carrying the heavy burden of student loans into the workplace. During and immediately following the Great Recession, as all other forms of household debt declined, student loan balances continued to increase aggressively. The average student loan debt for a member of the class of 2016 is estimated at \$37,172.<sup>8</sup> Having been constantly told by society and their parents that a college education was imperative to stay competitive and get better jobs, Millennials are now being welcomed into the workforce with excessive debt and the burden of a sluggish economic recovery. Starting out as a brand-new employee fresh out of college and asking for higher salaries than employers expect may seem off-putting at first, but considering the debt they incur while getting the education they need to be qualified in this modern workforce, it seems less a sense of entitlement and more a requirement to make ends meet.

**\$37,172**

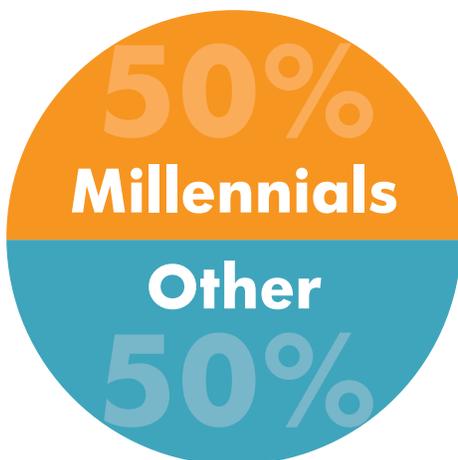
**The average estimated student loan debt for a member of the class of 2016<sup>8</sup>**

<sup>8</sup> Mitchell, J. (2016, May 2). Student debt is about to set another record, but the picture isn’t all bad. *The Wall Street Journal*. Retrieved from <http://blogs.wsj.com/economics/2016/05/02/student-debt-is-about-to-set-another-record-but-the-picture-isnt-all-bad/>

“Nothing is more frustrating than thinking they have to wait five years for a new opportunity.”

—Millennial Focus Group Participant

## GLOBAL WORKFORCE BY 2020



Finally, Millennials want to know that they are walking a path that will lead to more opportunities, personal growth, and career advancement. “Provide the ability for the younger generation to know that they have a path for growth,” advised a focus group participant. “Nothing is more frustrating than thinking they have to wait five years for a new opportunity.” This advice from the focus group is well-taken, and employers who are willing to highlight where a new employee can go if they apply themselves to every challenge is an extremely powerful motivating factor, and has emerged as a defining option for procurement offices nationwide.

## Recommendations from the Future Workforce

The Millennial generation is on its way to becoming roughly 50 % of the global workforce by 2020, and it will become an increasingly powerful generation representing one of the biggest challenges any organization may face.<sup>9</sup> NASPO members are not alone in facing workforce recruitment, retention, and development challenges. Each year the National Association of State Chief Information Officers (NASCIO) releases a [Top 10 list of priorities and initiatives](#) most important to state CIOs across the nation. For the last two years NASCIO has seen “human resources/talent management” make that list.<sup>10</sup> NASPO hopes to use its research into Millennials and the workforce of the future to help public procurement leaders across the country prepare for this incredible challenge by providing ideas and strategies for Millennial staff recruitment and retention.

### #1 ENGAGE MILLENNIALS TO BE DRIVERS OF INNOVATION IN THE OFFICE

One of the key takeaways from the Millennial focus group is the importance of providing a fun work environment that allows Millennials to be leaders in innovation; sharing ideas without facing resistance to change or resistance to their own suggestions for improvement. When presented with the question “Do you try and implement innovative processes or ideas to assist your agency and do you ever experience resistance to change or suggestions that you present?” six of the 10 focus group participants mentioned experiencing some level of resistance. One participant pointed out “I do try and I do encounter resistance from the higher-level executives and more experienced co-workers. These individuals tend to be more risk-averse.” Others felt that their office was generally open to innovation and changes when it made the most sense for

<sup>9</sup> PricewaterhouseCoopers. (2013). Millennials at work: Reshaping the workplace. Retrieved from <http://www.pwc.com/gx/en/managing-tomorrows-people/future-of-work/assets/reshaping-the-workplace.pdf>

<sup>10</sup> National Association of State Chief Information Officers (NASCIO). State CIO top ten policy and technology priorities for 2016. Retrieved from [http://www.nascio.org/Portals/0/Publications/Documents/2015/State\\_CIO\\_Top%20Ten\\_Policy\\_and\\_Technology\\_Priorities\\_for\\_2016.pdf](http://www.nascio.org/Portals/0/Publications/Documents/2015/State_CIO_Top%20Ten_Policy_and_Technology_Priorities_for_2016.pdf)

It is important to keep in mind the wants and needs of every generation in the office to ensure drastic changes aren't disproportionately affecting one generation over the other.

the organization: “I try to present new ideas when I think they can improve the procurement processes already in place. In procurement I think my new ideas are not resisted, but rather often considered and implemented.”

Leaders in any organization have multiple roles, and one of the most important is to be the implementer of change. This is especially true of the procurement leader. Change can be unsettling, and can often result in resistance among employees most affected by it. Perhaps this is why the focus group indicates a strong presence of resistance to their ideas within their offices across the country. When working with Millennials, it is important to take the time to get to know them and actively listen to ideas they have for improvements. This is not to say that every idea should be implemented, but Millennials will appreciate when a leader is willing to listen and consider new ideas. Generating this type of respect in the office and fostering an open-door policy can go a long way towards reducing mistrust and fear of the unknown—one of the leading reasons for resistance to change.<sup>11</sup> It is important to keep in mind the wants and needs of every generation in the office to ensure drastic changes aren't disproportionately affecting one generation over the other.

An additional avenue for creating a more innovative environment is through exploring non-traditional activities and interactions with the office staff. One focus group participant noted that “creating an environment that is fun, exciting, [and] innovative is crucial.” How to best create this environment will vary from office to office, but there are some general strategies that seem to be popular. One of the easiest strategies is to encourage more breaks. While this concept may sound counterproductive to the goal of getting as much work done in one day as possible, energy breaks can actually have a major positive impact on productivity. The brain is a muscle, just like any other muscle in the body, and that muscle tires during repetitive stress. How often breaks are needed is still up for debate and will vary from person to person, however productivity experts recommend taking a break every 50-90 minutes.<sup>12</sup> It is important to remember to take breaks during long meetings as well.

Some offices have also begun putting an emphasis on socialization, both inside and out of the office. Having positive workplace friendships will increase individual happiness, and can have a positive impact on overall effectiveness and performance. “Research shows that groups of friends outperform groups of acquaintances in both decision making and effort tasks.”<sup>13</sup> To help foster friendships in the office, innovative managers are finding ways to promote

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<sup>11</sup> Quast, L. (2012, November 26). Overcome the 5 main reasons people resist change. *Forbes*, Retrieved from <http://www.forbes.com/sites/lisaquast/2012/11/26/overcome-the-5-main-reasons-people-resist-change/#65dbf93f3393>

<sup>12</sup> Thompson, D. (2014, September 17). A formula for perfect productivity: Work for 52 minutes, break for 17. *The Atlantic*. Retrieved from <http://www.theatlantic.com/business/archive/2014/09/science-tells-you-how-many-minutes-should-you-take-a-break-for-work-17/380369/>

Millennials tend to love the opportunity to travel and make new professional connections, and it is imperative for procurement leaders to promote this type of culture.

socialization offsite. There are various ways to encourage this, but one example is the use of inter-office sports teams, like softball or volleyball. Walkaround meetings are another good idea, where teams agree to meet at enjoyable locations outside the office for meetings, like the capitol steps or a nearby park, instead of an office conference room.

Continuing the theme of making an office a more attractive place to work, one way to encourage retention is through the use of organized challenges. Humans tend to be competitive by nature, and a friendly competition in the office can help feed this side of employees' personalities, while also helping to spur further productivity. Challenge staff to come up with an idea to improve a process in the office, and provide a small but useful incentive to reward winners and the efforts that go along with it. If the office is big enough, try breaking staff into teams and challenge the teams to meet certain metrics or goals that pertain to the overall mission of the organization.

Along those same lines, recognizing and celebrating achievements is also key. This goes for individual accomplishments as well as office-wide milestones. When hitting a cost savings goal mandated by the Governor's Office or achieving success through a new legislative mandated program, don't just assume everyone will be happy about the achievements on their own. Find a way to celebrate that includes everyone, and shows appreciation for all the work and stress that went into achieving those goals office-wide. Raises and financial incentives are often harder to accomplish in state government, if not impossible, so if there are "rock stars" in the office when it comes to cost-savings, a great way to recognize their extra hard work is to offer them the opportunity to travel for conferences and professional development. Millennials tend to love the opportunity to travel and make new professional connections, and it is imperative for procurement leaders to promote this type of culture.

A final recommendation for creating an office culture of innovation, excitement, and respect is the development of what the business industry calls "reverse mentoring." Reverse mentoring can be described as the opportunity for young employees (usually Millennials) to learn from their more experienced colleagues while at the same time teaching those colleagues new skills for the rapidly changing technology and social media landscape. Millennials, as well as their more experienced generational counterparts, seem to respond well to this type of opportunity to learn from each other. When asked about the importance of learning from more seasoned employees in the office, the focus group agreed it was crucial. One participant said "I believe working in a mentorship-like environment

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<sup>13</sup> Grant, A. (2015, September 4). Friends at work? Not so much. *The New York Times*. Retrieved from <http://www.nytimes.com/2015/09/06/opinion/sunday/adam-grant-friends-at-work-not-so-much.html>

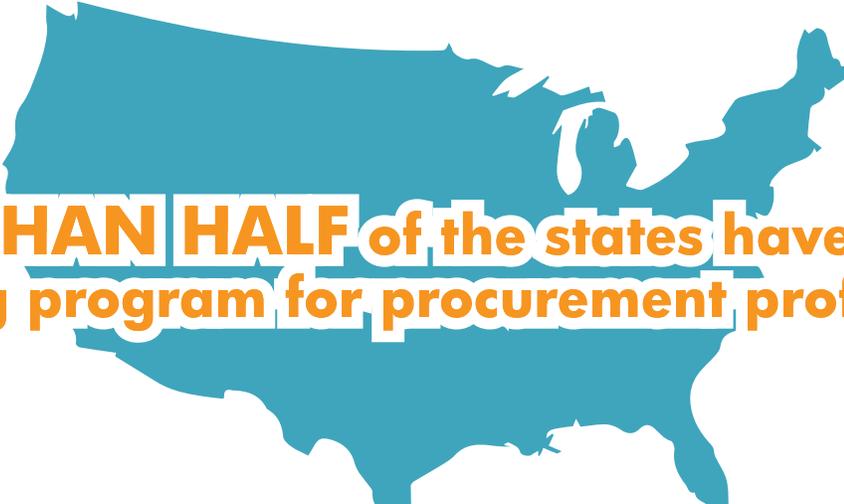
Millennials already working in state procurement value opportunities to grow professionally on equal footing to their salary, or perhaps even higher.

is one of the very best ways to grow as an employee. It allows you to see what has been tried before and what to do in the future to avoid obstacles or gain results.” Another participant who was already utilizing this reverse mentoring relationship said, “I’ve gained most of my knowledge from the more seasoned staff. They often come to me with information they are trying to gather and I help them and show them how it can be done electronically.” This reverse mentoring process can help get young employees up to speed faster, and provide them the ability to connect with management to get their innovative ideas heard.

## #2 EMPHASIZE ADVANCEMENT AND EDUCATION OPPORTUNITIES

One of the leading trends identified through NASPO’s workforce research is the importance Millennials place on advancement and continuing education opportunities. When Millennials in the NASPO-led focus group were asked “What would be your recommendation to procurement offices/directors for recruiting or attracting someone in your generation to state procurement?” the opportunity for professional development or advancement was mentioned just as much as competitive salaries or income potential. In fact, having access to advancement and education opportunities was the most requested job perk mentioned throughout all the focus group discussions and recommendations. Millennials already working in state procurement value opportunities to grow professionally on equal footing to their salary, or perhaps even higher.

This is great news for procurement offices that are struggling to increase salaries or compete with private sector wages. Unfortunately, as of 2014, less than half of states had a formal training program for procurement professionals.<sup>14</sup> This is an area of



**LESS THAN HALF** of the states have a formal training program for procurement professionals<sup>14</sup>

<sup>14</sup> National Association of State Procurement Officials (NASPO). (2015). *State and local government procurement: A practical guide, 2nd Edition*. Lexington, KY: Author.

Even if state governments can't pay Millennials more, research has shown that ensuring they have room to grow within the organization and develop themselves professionally can help pique their interest and keep them invested in the organization for longer.

emphasis that procurement offices can look to improve nationwide. When the focus group participants were asked “Besides salary, what do you think makes an organization an attractive employer?” the response overwhelmingly emphasized advancement, education opportunities, and personal growth. All but three of the participants called out these opportunities explicitly. NASPO stakeholder NASCIO recently conducted its [2016 State CIO Survey](#) which asked state chief information officers what innovative/out-of-the-box strategies and tactics they have used in attracting and retaining a highly qualified IT workforce. “Promoting non-salary benefits” and “call to public service” were by far the most highly ranked answers.<sup>15</sup> Procurement leaders should be constantly exploring what “non-salary benefits” are available and applicable to their employees and particularly for those states that do not yet have their own professional training program. “Potential employees may be looking for things beyond career-long employment. Compensation, development, organizational culture, and opportunities will play a critical role in retaining the workforce,” says Leslie Scott, executive director of the National Association of State Personnel Executives (NASPE). Even if state governments can't pay Millennials more, research has shown that ensuring they have room to grow within the organization and develop themselves professionally can help pique their interest and keep them invested in the organization for longer.

Some state procurement offices, like Connecticut, use a career ladder or career series for young employees to ensure they have room to grow early and often, and that they are aware of these opportunities from the initial interview. For Connecticut, inexperienced new employees begin their career as trainees for two years, and are then automatically promoted to the entry-level position of Contract Analyst at the end of that training period. They then have the opportunity to become Contract Specialist and Contract Team leaders as their skills grow and they remain in good standing with the organization—each with its own generous salary grouping. So far, Connecticut has seen good results from this approach, seeing only one new hire leave shortly after joining, and then subsequently asking to come back after realizing the private sector did not have the same work/life balance and opportunities that the state procurement office could provide.

Given today's technology and business advancements, Millennials may be able to achieve certain career goals and milestones at a faster pace than their counterparts in generations before, and will therefore be less willing to stay in the same position for long periods of time without a promotion. This is where career ladders or career maps are coming in handy for some offices, as hiring managers can lay out a plan for a new employee's potential for early growth in the organization. Being aware of the potential to automatically

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<sup>15</sup> National Association of State Chief Information Officers (NASCIO). (2016). The 2016 state CIO survey: The adaptable state CIO. Retrieved from [http://www.nascio.org/Portals/0/Publications/Documents/2016/NASCIO\\_2016\\_State\\_CIO\\_Survey.pdf](http://www.nascio.org/Portals/0/Publications/Documents/2016/NASCIO_2016_State_CIO_Survey.pdf)

“I would say if you want to start at the recruitment level, try to get in with colleges and universities to do some outreach. Market public procurement to them.”

grow when meeting certain milestones can be fairly enticing for Millennials. They may also respond well to the idea of rewarding hard work with travel to conferences or other networking and professional development opportunities as much as possible.

### #3 GENERATE EARLY AWARENESS OF PROCUREMENT AS A PROFESSIONAL CAREER

There is a colloquial understanding that many people just “end up” in state procurement, having never planned to pursue a career in the field. This was true for the four Millennial panelists who participated in NASPO’s [Workforce Webinar Series: Millennials in State Procurement](#). Three of the four panelists knew prior to their procurement positions that they wanted to work in state government, but had no idea they would end up in procurement specifically. These Millennials’ experiences may not be unique, but awareness of procurement as a career is an area that needs further exploration. In the meantime, there are some steps that procurement leaders can take to help increase awareness of the state procurement career path.

“I would say if you want to start at the recruitment level, try to get in with colleges and universities to do some outreach. Market public procurement to them.” This is advice coming from a Millennial having worked in state procurement for less than two years. The webinar and focus group discussions show that young Millennials already working in state procurement are gaining their interest in state government in college and sometimes even earlier. One participant knew she wanted to work in government since an internship while still in high school. This is the perfect time in student development to increase the awareness of the procurement profession. Students who are uniquely qualified or have the skills to thrive in procurement may never end up in procurement offices if they are unaware the world of public procurement exists, or what it can offer them.

Explore the possibility of internship programs and recruitment trips to local universities and high schools. The more the word “procurement” gets out in the minds of the best and brightest of the Millennial generation, the more it will improve the likelihood of surviving the silver tsunami. Procurement has a lot to offer young, impressionable students—from a collaborative work environment, to the opportunity to develop skills transferable across industries. More importantly for Millennials, procurement offers opportunities to use technology for research and the chance to have a strong impact on society and the environment.

### #4 SHOW HOW THE PROCUREMENT OFFICE IS MAKING A DIFFERENCE

For Millennials, the opportunity to create positive and recognizable change is one of the most appealing aspects of government work, and this is a huge win for state procurement. State procurement

“I am also motivated by the fact that we are doing our best work to provide things that better the state we live in.”

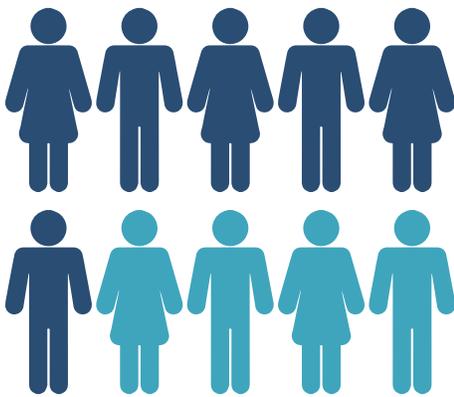
—*Millennial Focus Group Participant*

offers an enticing environment where young Millennials can use the advanced knowledge and skills they learn in college to have a strong and measurable impact on their communities. This is one of the lead selling points for any state procurement office. When asked “What motivates you to do your best work?” one focus group participant said “I am also motivated by the fact that we are doing our best work to provide things that better the state we live in.” Likewise, another participant said “A fulfilling day at work is when I procure a good or service at the best value for my state.” A third participant enjoyed the “opportunity to help people”. All of these comments personify and illustrate the desire of Millennials to make their world a better place.

This desire can be a strong recruitment and retention tool for the procurement professional when used appropriately. However, seemingly antiquated job descriptions and classifications can be a huge barrier in this area. It is important for procurement leaders to find ways to work with human resources to improve job descriptions and make them more appealing to the Millennial generation. State CIOs also see this as important, having ranked “modernizing IT job titles and classifications” as the most impactful measure for reforming the state IT workforce.<sup>16</sup> Consider using creative language when posting jobs to showcase how the procurement office makes a difference in the state. Try using a catchy line as a headline for social media and/or the office’s website homepage or careers recruitment page. The more Millennials are aware that state procurement offers challenging government work with the opportunity to make a real and measurable difference in the world, the more attractive procurement offices will become, and the more qualified applicant pools will grow.

## #5 ALLOW FOR FLEXIBILITY BUT ACCOUNTABILITY

Flexibility is a common theme when it comes to the modern work environment, particularly where Millennials are involved. Six of the



**Six out of 10 focus group participants felt that “flexibility” is crucial to making an attractive employer**

<sup>16</sup> National Association of State Chief Information Officers (NASCIO). (2016). The 2016 state CIO survey: The adaptable state CIO. Retrieved from [http://www.nascio.org/Portals/0/Publications/Documents/2016/NASCIO\\_2016\\_State\\_CIO\\_Survey.pdf](http://www.nascio.org/Portals/0/Publications/Documents/2016/NASCIO_2016_State_CIO_Survey.pdf)

Flex schedules can provide benefits beyond giving an employee an “extra day off,” including energy savings for the office and lessening of traffic concerns for employees, something every generation would enjoy.

10 focus group participants felt that “flexibility” is crucial to making an attractive employer, and flexibility was a key theme throughout the recommendations section of the discussion. Flexibility in the workplace can mean many things, but usually refers to flexible schedules, flextime, work from home opportunities, and remote or telecommuting employees. It can also refer to a flexible work culture where people’s needs and experiences are considered and not forced to adhere to strict rules and regulations. Balancing work and personal life is an important area for Millennials, and is a tipping point issue for many. According to the most comprehensive global generational study ever conducted, led by PwC, the University of Southern California, and the London Business School, “work/life balance is one of the most significant drivers of employee retention and a primary reason this generation of employees may choose a non-traditional professional career track.”<sup>17</sup> More so than any generation before, Millennials may be less responsive to excessive work demands that require sacrifices in their personal life.

Since Millennials are the first generation to grow up with computers, they are well accustomed to advances in technology making life easier, and will be looking for this at work. As the world becomes more globalized and connected, more employees may begin looking for the flexibility to live in one place, and work somewhere else. In many cases, all an employee needs to telecommute or work remotely is a company issued computer with high-speed internet, a phone system, and a webcam for “face-to-face” web conferencing. Note that these are all things that an employee was already likely to receive as part of their employment. The need to work remotely will vary, but it is an important option to consider, given that it can dramatically increase the potential employee candidate pool by including more geographic area.

Millennials may also want to work in other non-traditional ways. They can answer email on their smartphone riding the subway, and work on a tablet at the nearest Starbucks to their home. In today’s world, there is little business that can’t be conducted from a smartphone or a laptop. Millennials can often be just as productive in these less traditional ways of working as they can at a desk. Allow employees to be creative not only in how they complete their job tasks, but also when and where they do so. The compressed work week is another popular strategy many businesses have implemented, which provides individuals with the opportunity to work traditional 35 to 40 hours in less than the usual five-day work week. These types of schedules

**As the world becomes more globalized and connected, more employees may begin looking for the flexibility to live in one place, and work somewhere else.**

<sup>17</sup> Pew Research Center. (2013). PwC’s NextGen: A global generational study. Retrieved from <http://www.pwc.com/us/en/people-management/publications/nextgen-global-generational-study.html>

can usually be negotiated and tweaked to best suit each individual employee's personal preferences for when they work and when they don't. Flex schedules can provide benefits beyond giving an employee an "extra day off," including energy savings for the office and lessening of traffic concerns for employees, something every generation would enjoy.

## Conclusion

With government retirements on the rise and state government associations identifying recruitment and retention of a qualified workforce as a major concern, it is becoming increasingly crucial to identify solutions that can benefit procurement leaders across the nation. "States are experiencing, and will continue to experience over the next several years, a significant change to their government workforce," says Leslie Scott, executive director of NASPE. "It is important that states prepare for this new generation of workers in all aspects of employment from recruitment, onboarding, employee development, and retention strategies."

The strategies and recommendations in this paper are meant to serve as a general guide, and help spark ideas for dealing with ongoing recruitment and retention challenges states may be facing. Creating an engaging office culture that promotes innovation and the sharing of ideas is a great place to begin modernizing the procurement work environment. Look for ways to emphasize professional development and advancement opportunities, as well as generate awareness of the procurement profession early on in young Millennials' education and careers. Be flexible, and find creative ways to show the impact the procurement office has on the community and the environment.

The Millennial generation is poised to change the world; their unique attributes, skills, and experiences will force organizations to examine how they function for decades to come. At the end of the day however, it is important to avoid over-generalization and remember that no two people are exactly the same, not even within the same generation. Many of the principles that apply to Millennials can easily apply to members from all generations, and Millennials are certainly not the only generation that can be innovative and agile. Still, understanding the growing trends and where the procurement workforce is heading can help procurement professionals begin to surf the wave of the silver tsunami toward success and growth.

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