

July 2017

#### <u>Cal-ICMA Talent Initiative</u> --Executive Summary—

#### **Purpose**

The purpose of the Cal-ICMA Talent Initiative is to help senior managers in local government focus on the business imperative of attracting, retaining and growing talent.

#### **Premises About The Talent Challenge**

The following premises have been identified regarding the talent challenge:

- In the face of the baby-boomer "retirement wave," local governments did not adequately build a talent pipeline.
- All employees, especially millennials, seek meaning and purpose. Therefore, local government has a *potential* competitive advantage in attracting and retaining talent.
- Talent retention is largely about learning, challenge and engagement. Employees who are learning and growing are more likely to stay with an organization.
- Mid-managers typically do not perceive developing talent and coaching direct reports as primary functions.
- Retooling organizational cultures to better attract and retain early-career talent will enhance our organizations for all employees and improve performance and productivity.
- Some managers fear that developing talent will lead to losing that talent to another agency. They fail to understand that talent will leave if they do not perceive growth and advancement opportunities.
- Local governments can no longer rely on "stealing" talent from other agencies. More than ever, public agencies need to grow their own talent.
- Winning the war for talent is more about culture than money.

#### Assessment Activities

To assess the talent challenges facing local governments in California and to develop recommendations, the Cal-ICMA Talent Development Team completed the following activities:

- ✓ Survey of 372 senior managers and emerging leaders, indicating that the top development needs of emerging leaders were in the areas of "soft" leadership and communication skills
- ✓ Review of the literature
- ✓ Interviews of private and non-profit sector thought leaders
- Eleven (11) focus groups held throughout California, involving 272 local government executives

## **Challenges in Attracting, Retaining and Growing Talent**

Senior managers who participated in the eleven focus groups perceived a whole array of challenges and obstacles that need to be addressed if local government agencies can win the war for talent. They also perceived the need to engage elected officials in the talent conversation. A few of the key challenges or obstacles include:

#### Talent Attraction/Recruitment

- As a result of the baby-boomer "retirement wave," agencies are experiencing a larger number of vacancies in key positions plus there are simply fewer numbers of seasoned Department Heads and other senior managers to recruit from other local government agencies.
- Internal candidates are not often ready to move into management; they may have technical but not management experience or leadership ("soft") skills.
- Younger talent seem to lack interest in government careers; millennials do not perceive the purpose and meaning of local government service.
- Local government is not competitive with other sectors in respect to our lengthy recruitment processes, including testing requirements and minimum qualifications.
- Local government organizations often exhibit a lack of flexibility in respect to scheduling, when and where work is done, and the seemingly rigid nature of job duties and position classifications.
- Agencies do not provide budget or allocate much effort to market or brand our local government agencies.

## Talent Retention/Development

- Local governments have not made talent development a critical priority, demanding attention, time and funding.
- Long commutes, high-cost housing, and lack of child care all work against talent retention.
- Traditional or even "stodgy" organization cultures are not inviting for earlycareer talent.
- The deep recession and restructuring of organizations have resulted in the elimination of mid-manager and other "step-up" positions (e.g., assistant department director positions).
- Political in-fighting and uncivil community discourse are driving out talent.
- Mid-career talent is reluctant to move up due to adversarial politics, added job responsibilities and risks, no union protection, and less work-life balance.

## **Themes from Interviews with Thought Leaders**

In order to enhance our understanding of how to better compete for talent, especially millennial talent, the Talent Development Team conducted four interviews with recognized "Thought Leaders" from the technology and non-profit sectors. Themes included:

- 1. Millennials are asking the following questions:
  - $\checkmark$  Are there big problems to solve in government?
  - ✓ Am I interested in helping solve these big problems?
  - ✓ Will I be empowered to help solve the big problems?
- 2. Given these questions, local government has two big challenges:

Local government has a **branding** challenge. In attracting younger talent, we need to focus on the big problems that we need to solve.

Local government also has an **organizational culture** and **work systems problem**. Younger employees are frustrated that their organizations utilize old tech and cumbersome processes, do not move fast enough, and provide little autonomy to get things done. It is about culture and the way that local government does its work.

3. Talent initiatives must be led by the chief executive who links talent to the big strategic goals of the agency and holds other senior managers accountable for talent work and results.

4. Local governments must tell their story, especially regarding the opportunity to serve and make a difference.

#### **Recommended Assistance from Professional Organizations**

Recommended actions for various groups include:

- 1. Develop webpage on Cal-ICMA website showcasing the Talent Initiative report, best practices and resources to address talent challenges (Cal-ICMA)
- 2. Draft "talent audit" that local government agencies can use in assessing how they are doing in terms of attracting, retaining and growing talent; include best practices (Cal-ICMA)
- 3. Develop sample branding materials that all government agencies can customize and use in their efforts to attract talent, especially younger talent (Cal-ICMA with ILG)
- 4. Schedule with professional organizations educational sessions dealing with Talent Initiative at CSAC, League, and other conferences; enlist the growing number of millennial elected officials in promoting culture change as a way to encourage employee engagement and a more fun organizational environment (Cal-ICMA to take lead)
- 5. Develop "road show" for League Division meetings in order to promote Talent Initiative and focus on what elected officials can do with top management in addressing talent challenges and/or develop webinar for elected officials (Cal-ICMA and League)
- 6. Conduct a civil service reform project with one or several counties (including lessons learned) to encourage other counties to do the same (CSAC/CSAC Institute, CAOAC)
- 7. Promote shared service model for delivering talent development programs on a regional basis (CPAAC)
- 8. More consciously deliver professional development programs to underserved rural areas (MMANC/SC in partnership with CAOAC)
- 9. Expand ICMA Student Chapters and help MMANC/SC expand outreach to universities (Cal-ICMA, MMANC/SC)
- 10.Focus on leadership development (with emphasis on "soft skills") for the ignored midmanagers (Cal-ICMA, MMANC/SC, ELGL)
- 11.Find continuing sources of financial support to sustain Cal-ICMA's commitment and investment in the ICMA Coaching Program (Cal-ICMA)
- 12.Develop template for presentation to governing boards regarding the Talent Challenge and what elected officials can do to help attract and retain talent (Cal-ICMA)

# **Follow-Up Action Steps**

As a result of this report, the Cal-ICMA Talent Development Team (TDT) leadership will take the following actions:

- ✓ Engage Project Advisory Committee in reviewing draft summary and recommendations and finalize the draft report
- $\checkmark\,$  Share the final draft with the Cal-ICMA Board and request feedback
- ✓ Finalize the report and recommendations with the TDT at its meeting on Nov 15, 2017, in Napa (in conjunction with MMANC annual conference) and identify priority actions (no more than 3-5 high-leverage opportunities)
- ✓ Continue to solicit "Exemplary Programs" forms to post them on Talent Initiative webpage with a format that organizes the programs by type and provides links to people and resources available for other agencies to tap
- ✓ Complete "Private Sector Thought Leader" interviews and incorporate themes from interviews as added content for summary report
- ✓ Draft final report and recommendations plus "top 5" actions for chief executives to make a difference
- ✓ Present report and recommendations to Cal-ICMA Board and the League's City Managers Department Executive Committee at their meetings on Jan 31, 2018, in Newport Beach
- ✓ Develop "One Thing I Will Try Out" form to be used at presentations, encouraging chief executives, HR directors, and other senior managers to commit to one talent development action
- ✓ Begin roll-out and promotion of report to Area Manager Groups and professional associations including conference sessions
- Engage professional organizations in discussing their roles in implementation of recommendations; develop implementation plan

## **For Further Information**

For further information about the Cal-ICMA Talent Initiative, contact:

Dominic Lazzaretto Domlazz@arcadiaca.gov

Nat Rojanasathira nrojanasathira@danville.ca.gov

Frank Benest frank@frankbenest.com