



## Technology: A Challenging Landscape, A Breakthrough Solution

### The Retreat of the IT Professional

Because it cannot possibly outrun its captor, a rabbit will freeze in plain sight to prevent the predator from seeing it, overtaking it, and, well, eliminating it.

The rabbit will run when discovered, but by then it is usually too late.

While IT professionals are certainly not rabbits – and in fact belong to a kind of functional elite within the business community, most IT experts cannot possibly keep pace with the breakneck developments in technology. Nor can their organizations afford the continual investment those developments would cost.

So they hold in place. They watch as technology zips forward, turns around, dodges behind, and eventually land many squarely in the maw of extinction.

Today, the speed with which technology shifts is so rapid that the actual pool of talent is shrinking. IT graduates and professionals are turning to other careers where specialties are not as vulnerable to change and far less likely to be outsourced, off-shored, or just plain deleted.

### Full-time IT Staff: Headed for Obsolescence?

The Higher Education Research Institute of the University of California Los Angeles reported a 60% drop between 2000 and 2004 in the number of students going into IT-related majors, an example of the decrease in college graduates prepared to enter the IT field today.<sup>1</sup>

Presumably, the reason for the decrease lies in the fundamental question surrounding a given field of study – will it still be viable? More than anyone else, students recognize that technology never stops changing. Graduates do not want to break into a field that will slowly founder after they enter the job force; or one that will shift in another direction and thwart opportunities for advancement.



According to a recent poll conducted by Gartner, 70% of CIOs believe they do not have the right skills in their organizations to deliver on future commitments.<sup>2</sup>

So how does an organization maintain the requisite technology expertise to make the right decisions around systems, software, and especially staff that support significant technology investments?

To attract the right talent, stave off the potential exodus of your best IT professionals, and make the right technology investment, organizations must apply four critical strategies to counter the threat of unpredictability and ensure that **business imperatives** and not **technology solutions** are driving the organization forward to where it needs to be.

### **Strategy #1: Identify the IT Professionals that You Cannot Afford to Lose**

The laws of supply and demand indicate that a shortage is created when demand surpasses supply. We just reported on the increased demand being placed on the IT market; however, we continue to see a sizable number of unemployed and underemployed IT professionals.<sup>3</sup> It is clear a disconnect exists; but where?

More important than rank or even level of performance is the set of skills you need to move your technology-based initiatives forward. Not all IT professionals are created equal, so you must focus on those IT performers who can readily recognize the critical success factors for major IT strategies.

You especially need to hold onto your most experienced IT staff as their dwindling numbers make them ripe targets for competitive overtures. Don't lose sight, however, of those in-house technology players who demonstrate an understanding of business needs first and technology solutions second. This "hybrid" professional backs into the technology solution rather than let it lead the way.

Then there are "technology savants" who apply near genius, but to technology only. These employees are typically masters of the latest technology, but may struggle with the business issues. They rarely apply a business perspective and as such can miss the big picture. They are talented hammers, but every problem is a nail.

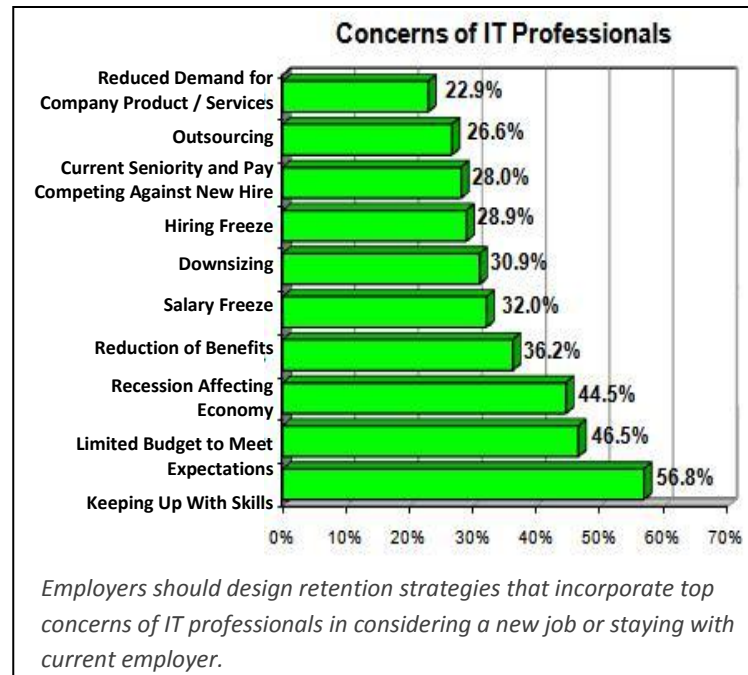
Unfortunately, their value is destined to erode as inevitable change ushers in radical departures from the latest application and its attendant expertise.

## Strategy #2: Design a Retention Program for Valuable Technology Professionals

The replacement of skilled staff is obviously costly and time-consuming. Replacing an experienced IT executive requires approximately 150% of their annual salary. This includes the cost of recruiting, vacancy intervention, productivity losses, training, and orientation.<sup>4</sup> In some cases, the whole process can take up to three months, or even longer.<sup>5</sup>

Organizations that do not offer continuous training and development to keep their knowledge base and skills current among its IT staff will be far more likely to lose its prized

technology staffers.<sup>6</sup> Keeping your most promising IT professionals abreast of the latest technologies requires an investment of both time and money, but the return is well worth it, especially considering the alternative. Continuous training and development will safeguard your IT talent against defection; create industry watchdogs who can discern the best technology solutions to a business problem, and, in the end, help to preserve the bottom line.



## Strategy #3: Allow Your Junior Staff to Take Risks, Even at the Cost of Failure

The wisdom of senior managers is founded in the experience and the subsequent lessons of failure. If all technology decisions are the exclusive reserve of an organization's executive arm, then that firm will never cultivate a new generation of IT seniors to manage this critical function.

This is not to suggest that a company should assign technology imperatives to a green staff just so it can stumble and learn, but rather to reinforce that retention programs alone are not sufficient to keep your future IT management. To retain your best, these individuals need to be exposed to problematic business issues, to be a part of the decision-making process, and finally, to be sufficiently empowered to develop alternatives. This engenders a certain amount of risk, but taking risk is an essential component of acquiring wisdom.

Allow your junior “technology hybrid” staff to participate in team assignments that revolve around business challenges, to make decisions that are commensurate with their understanding of the business issue, and to have the freedom to explore the unconventional.

#### **Strategy #4: Outsource to Promote Organizational Flexibility and Quickness**

Outsourcing the implementation of cutting-edge technology is *the* cardinal strategy in that it will keep organizations nimble, and best prepared for the volatile turns and disruptive technologies that highjack even industry giants.

Too many leading companies, even in the IT arena itself, become mired in obsolete technology that was once considered the sure remedy for lagging performance. To prevent your organization from becoming hamstrung by timeworn technology, it must move away from long-term, full-time investments in those very same technologies built by the pioneering gurus that soon fade along with their discoveries.

Recent history is replete with examples of technology like mainframes that promised to be the wave of the future, but then was quickly sidelined in the wake of a better solution.

The mercurial nature of technology is further illustrated by those largely unforeseen but pervasive technologies today such as electronic correspondence, cell phones, and other mobile devices which completely recast how we communicate and do business today.

The fact is, technology is unpredictable, and its champions and specialists constantly rotate at a fast clip within this eruptive industry. It hardly makes sense, then, to maintain the latest applications and their esoteric teams in-house. It is not only costly, but short-lived.

Outsourcing provides organizations with budding technologies and senior specialists and mid-level practitioners who can move in and out of a project or a company as necessity requires. Outsourcing liberates an organization from the steep expense and limitations of an application likely to become extinct in the not-too-distant future, and provides it with the flexibility to step around or over their competition who may still be tethered to a debilitating investment and technology bottleneck.



## Is Outsourcing and Staff Retention a Contradiction?

At first glance, the practice of outsourcing appears to contradict the earlier recommendation that business leaders need to devote time and effort in retaining senior IT officers and a younger generation of “hybrid” IT performers.

Instead, outsourcing implies a new role for the internal technology staff: *Functional managers who can recognize, weigh, and select that technology which will best serve a business need. Then find and supervise the expert to orchestrate its implementation.*

This is the role of internal IT staff members in this new millennium. Keep your informed decision-makers; outsource the work.

## Embrace the Risk

Life is rife with risk. The variables that derail success are by nature unforeseeable. Yet businesses do thrive, auto logic typesetting systems, old fax machines that ran on rollers, and bulky mainframes notwithstanding.

All successful businesses rely on technology, but the front runners in the field recognize that it takes more than a veteran team of IT executives to outpace the competition. It requires the cultivation of a new generation of technology thinkers. The whole team must look outside to contract and quarterback the resources, but always look inside to determine *what* to hand off, *who* to work with, *how* to measure performance, and *what* roles the internal staff must play in the break of this new century.



<sup>1</sup>Linda Tucci, "College students continue to shun computer science," *SearchCIO.com*, June 8, 2005, [http://searchcio.techtarget.com/news/article/0,289142,sid182\\_gci1096260,00.html](http://searchcio.techtarget.com/news/article/0,289142,sid182_gci1096260,00.html) (Accessed July 11, 2008).

<sup>2</sup>"2008 U.S. Symposium ITxpo Emerging Trends Keynote," *Gartner*, June 5, 2008.

<sup>3</sup>Michael Chevalier, Capital Analytics Inc., *2008 IT Skills and Salary Report*, TechRepublic and Global Knowledge (CNET Networks, 2008), p. 11.

<sup>4</sup>Catherine Spencer Lee, "A Look at the Job Market in 2008," *Certificate Magazine* (April 2008): p. 8.

<sup>5</sup>Michael Chevalier, Capital Analytics Inc., *2008 IT Skills and Salary Report*, TechRepublic and Global Knowledge (CNET Networks, 2008), p. 11.

<sup>6</sup>Michael Chevalier, Capital Analytics Inc., *2008 IT Skills and Salary Report*, TechRepublic and Global Knowledge (CNET Networks, 2008), p. 4.