COMPETING FOR I.T.’S MOST ELUSIVE RESOURCE: TALENT

Talent shortages in IT are nothing new. In fact, CIO Magazine devoted a special issue to the topic in the early 1990s. Even with recent technology slowdowns and whole layers of the IT stack being abstracted at a dizzying pace, the unemployment rate for most IT jobs remains close to zero. Skilled technologists are being recruited in the same way sports prodigies are, often after their first year of college. To look for solutions in this talent-constrained environment, The Enterprisers Project gathered four top IT executives from the Greater Atlanta area for dinner and an evening of conversation. Here are some of the highlights.

PANELIST PROFILES

CURT CARVER
Vice President and Chief Information Officer
The University of Alabama at Birmingham

ANIL CHERIYAN
Corporate Executive Vice President and Chief Information Officer
SunTrust Banks, Inc.

JAY FERRO
Chief Information Officer
American Cancer Society

CHRIS HUFF
VP, Mobile and Consumer App Development
The Weather Channel
THE ENTERPRISERS PROJECT (TEP): What are some of the talent challenges you’re facing right now in your organizations?

CURT CARVER: My biggest challenge is managing culture as we shift from unimodal to bimodal to trimodal IT. In other words, there are real conflicts involved in balancing culture and resourcing commodity, innovative and agile components of the organization. Balancing these three, I think, will be the litmus test of the successful CIO over the next decade.

ANIL CHERIYAN: As you probably know, there’s a huge amount of change going on in the financial services industry, with about 8,000 new entrants out there. The talent that you need to go faster and be agile has changed. Therefore, our challenge is to figure out what the role of IT is in a bank today e.g., where does IT start and where does product development stop? Internally, that means figuring out a better partnership between the line-of-business and IT, and how to recruit for that talent.

CHRIS HUFF: One of the biggest challenges we face is managing expectations with the next class of software engineer. Increasingly, their needs have changed, and as Daniel Pink has noted, knowledge workers are all about autonomy, mastery, and purpose. You can’t entice them as easily with money or position. They want to know what they’re working on is connected to a greater purpose. It means that sometimes you don’t control all the levers to make them happy.

JAY FERRO: Since we handle all of ACS’s research analytics, big data, consumer brands, digital, call centers, point of sale, and transaction processing, our biggest challenge is acquiring and retaining top talent. We always seem to gravitate toward millennials, and they clearly want a concierge work experience, which includes looking at ways to incent and compensate them in a completely tailored way. You have to know you’re not going to keep them for longer than two to three years and that they want to know that their work product is doing something that matters. All these dynamics put the focus on us to ensure that we have an IT talent “farm system.”
TEP: Have any of you had to postpone a project because of a lack of IT skills?

CHRIS HUFF: On one project we are doing a particular style of app development that’s more like game development. The programming language is very difficult, and we lost one of those 3X developers who are able to do what most can’t. When that happened, we had to delay the project. We try to mitigate this from happening. Delays in the consumer space mean you are getting behind and possibly losing revenue.

JAY FERRO: This kind of thing has forced us to always have a plan B and plan C in place, whether that’s an agreement with an onshore provider or a rural shore provider or a crowdsource provider. If I do happen to lose talent and it puts a deadline at risk, at any given time I can spin up that particular resource. You just need to know you’re probably going to pay a premium. I’d rather do that in most cases than delay the project.

HOW TALENT GAPS CHANGE RECRUITING STRATEGIES

TEP: How is this talent pressure changing the way you recruit, from within or without?

JAY FERRO: The pressure definitely has changed the way we attract, or at the very least minimize the risk of losing, good people mid-initiative. A key there is that we’ve rooted out 80 percent of our legacy software and highly customized applications. When you get down to a standardized platform using standardized, well-documented methodologies, you can bring new people up to speed very quickly. This minimizes my risk as a CIO; versus saying, “Go over there and spend six months with him and the Grand Poobah over there will show you how he’s done it because he’s been here 35 years.”

CURT CARVER: We’re looking at our combined team and practicing crowdsourcing, too. We ask, “What can we leverage from the community? What do we already have in our IT organization? What talent could we possibly bring on through additional hires or through strategic partners?” But I have to tell you, I’m falling more and more into the Netflix camp. I believe HBR called this approach, “Hire, Reward, and Tolerate Only Fully Formed Adults. If you’re not an A-plus player, I’m not going to deal with you. I’ve got to move quickly and I’ve got to have people that function across the entire range of emotional maturity and intelligence. And if you can’t do that, the

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fact that you’re the best coder on the planet doesn’t matter if you deal poorly with other people. That’s why I love that phrase, the art of the possible. It’s about having an honest, genuine, authentic conversation, not politically correct, but emotionally correct, about what can you do with your capabilities and what things need to be postponed until you get the right players on board or you get the culture right within the organization.
ANIL CHERIYAN: I would say the biggest mistake I made was hiring someone who on paper was the most qualified person for the job and had all of the necessary experience. However, the individual couldn't collaborate or take any accountability. Everything was blamed on everybody else. The individual only saw their point of view and couldn't see the full game. But when interviewing the person, I was attracted by the experience. I thought, “This person has done everything I am looking for. This is exactly what I need.” This really demonstrated the importance of culture fit and emotional IQ.

TEP: How about finding talent in today’s educational system?

CURT CARVER: Traditionally our industry has done this poorly. Groups exist but don’t talk to each other. You also need a spectrum of educational experiences that can help you if all you’ve got is a GED or a high school experience, or maybe you don’t even have that. We’re not working an alliance between education and the K-12 and community colleges and higher education with business, and we should be. Here in Georgia and where I work in Alabama, there is no skill inventory saying, “This is what you need in the future.” So you have departments that are generating majors in particular fields that may be misaligned with what the real needs are. We’re working very hard, at least in Alabama, to try to fix that now. We need a mix of educational experiences, ranging from six weeks to six years. Those experiences must be aligned with industry needs. Everything can’t be in a four-to six-year timetable. That’s too long.

CHRIS HUFF: The industry is changing faster than the curriculum can keep up. Updating a University’s curriculum can be a painfully slow process. When we hire college graduates for the mobile space, we look for ones who have taken the initiative themselves to learn mobile languages or build an app. The department of education recently polled faculty and hiring managers and found a huge disconnect between perception of readiness for the job. We certainly find bright engineers in the educational system, but it often requires an investment in time for them to be ready for the job.

CURT CARVER: And the mechanism is not to influence the tenured faculty. The mechanism is to influence that educational organization by changing out the adjunct and the part-time faculty with your best and your brightest from industry that are aligned with what you need. If you don’t like the data management course or the forensics course, go teach it. Seriously, we’ll hire you.

TEP: What about internship programs?

CURT CARVER: When it comes to interns, I think you should start freshman year. Pick up 20 or whatever the number is, and at the end, hire three. If you’ve had four years of a relationship with this person, by the end of it it’s a marriage. They know
you. You know them. It’s not blind. You’re getting real value out of that, as opposed to starting with a six-week intern program and then you hire them the following year.

**UNITING BEHIND COMMON GOALS WITH HR**

**TEP**: A lot of readers will want to know how the talent gap has changed your relationship with Human Resources and Talent Management?

**CHRISS HUFF**: If you don’t have good relationships there it’s a big impediment. That’s one reason why startups have an advantage: they are consolidated down to the point where IT and HR and finance are equally yoked together in terms of their risk profile and urgency that come from the pressure they face in the market.

**JAY FERRO**: And that’s why it’s so important to carve out those relationships and establish them early on. You need to get HR comfortable with your vision and what you’re trying to accomplish right out of the gate. Typically, HR is a disenfranchised group anyway, at least from an IT perspective. Throw them a couple of pet projects that they’ve had on the docket for three or four years, and believe me, they are your best friend. Now when I approach our chief talent officer and say, “Look, I want to get real creative about the way that we attract and retain talent, leverage interns, partner with universities, leverage Year Up and other organizations like that,” I’ve earned enough credibility. She also is progressive enough and has the foresight to say, “Thank you. I have another champion that wants to do things a different way.”

**CURT CARVER**: I think my most favorite line over the last nine months is, “I understand how things were done in the past. They were using fax machines to submit receipts, but this is a blank sheet of paper. Let’s engineer jointly what perfect looks like, and I bet we can do it together if we sit down and we work through that.” When you do that, especially on the HR side, it’s not adversarial anymore. You say, “I understand it’s broken and you’re frustrated. Sit down and coauthor a solution with me and then you own it. It’s not an IT thing now, it’s more customer-focused.” Otherwise, if I have to own my vacancy rate, then I get to set the rules on how we’re going to do hiring.

**ANIL CHERIYAN**: Going back to an earlier theme, no matter how well you partner with HR, you’ve got to be able to explain your purpose and why you exist. If you’re at SunTrust to serve clients and improve their financial well-being, then you’re going to stay with us, and you’re going to be with us for longer. More and more clients are experiencing their well-being through technology, and so our roles in IT are becoming much more significant. Skills are one thing, but fundamentally what we look for are people who are builders, not maintainers. They’re transparent. They’re accountable. They can see end-to-end, meaning that they really can see the view of what they do and how it connects to the end game.

**TEP**: As a final topic, how do you go about measuring IT talent?

**CURT CARVER**: It’s not a mature process at this point.
ANIL CHERIYAN: That’s true. We need a metric for productivity; otherwise we’re just kind of constantly making things up when it comes to measuring IT talent. For us, at SunTrust, it’s all about delivering business value.

CHRIS HUFF: At The Weather Channel we’re very close with product, and that does help in terms of mapping the cause and effect between a developer and the speed of a project – getting a feature to market and understanding the revenue lift from it. But, the conversation about a particular resource is very complex. Productivity and quality are hard to explain. A real pro developer may solve a problem in a day and a half that would have taken the average person weeks, if ever, to figure out. That’s Anil’s point: we need to do a better job of telling a story and putting that together in quantifiable terms to our business.

JAY FERRO: I think part of it comes from the credibility of the CIO or the IT leader, too. If you do have transparency and you do have credibility in the organization, there’s going to be a leap of faith that that head of HR is going to take with you. I think those rules apply to anything – the CFO, CMO, whatever it is, and saying, “Let’s create agreed-upon definitions for effectiveness and joint accountability so this is a win-win for everyone.”
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