



CIO ROUNDTABLE:

Winning the IT Talent War

Although general unemployment rates remain elevated, the picture changes considerably when you look at the market for IT professionals. An executive from the University of Georgia recently claimed that the IT unemployment rate in Greater Atlanta is less than 2 percent, for example. One Enterpriser put it succinctly, "There aren't as many qualified candidates as there used to be, and qualified candidates have multiple offers by the time they get to the altar."

Another CIO told a story that sounded more like professional sports recruiting: "I was speaking to students in the MIS program at a college in Texas last week – in that program the juniors have two or three offers already."

With the odds seemingly stacked against you for finding that next Enterprise Data Architect or Director of Emerging Technologies, what do Enterprisers do to attract—and just as importantly—retain talent?

The Enterprisers Project asked a group of leading IT professionals what they're doing to fight the IT talent wars. Here are some highlights from the conversation.

You can download the full CIO/IDG Research Market Pulse report, "CIOs at a Technology and Cultural Crossroads," at http://enterprisersproject.com/cio-report

Panelist Profiles



Vice Chancellor and CIO Board of Regents of the University System of Georgia



LEE CONGDON CIO Red Hat



CLIFF TAMPLIN

Consultant and Former
Vice President of Technology
Support & Risk Management
Hyatt Hotels Corporation





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THE ENTERPRISERS PROJECT (TEP):

What are some of the skills that you're finding it really difficult to hire for right now, in the middle of 2014?



Curt Carver

CURT CARVER: For me it's data and security. It's very, very challenging to hire in those areas right now, and it leads to what are perceived as salary inequities, but they're not salary inequities. It's just both of those areas are in extremely high demand, and there are not as many people as we need in those fields.



Lee Congdon

LEE CONGDON: I would go with those two, and I would add to that list highly-skilled middleware engineers – those that work on our enterprise service bus and the data interfaces associated with it – are difficult for us to source, in addition to security and data.

TEP: So when you say data, Curt, can you go into a little bit more detail on that?

CURT CARVER: So within the Board of Regents right now, 'normal' data activities are being replaced with predictive analytics and with prescriptive analytics, and those require a different skill set than a more traditional approach to data. And so finding people who are skilled in those tools and who can look at the data and provide insight that provides real business value and differentiators is just very, very hard.

It's even hard to fill some of the entry positions where people have real experience there. At least it's a challenge we're having. Atlanta is hopping, and although I'm statewide, it's just hard to find folks with any real experience who aren't commanding salaries that are disproportionate to the rest of the organization.

TEP: So is that a function of demand? Or is it also a function of there being just a limited supply of these people coming out of university programs right now?



Cliff Tamplin

CLIFF TAMPLIN: I think it's a bit of both, but also, it's very difficult to find people with those skills. It's very difficult to have people come into those roles at an entry level. You need people with experience before they're actually of any use, so you've got to have the experienced people around to actually do the on-the-job training to get the skill levels up. You don't get a good security specialist or a good data architect straight out of college.

competing with the little startups that can put equity down that a more established company can't.

TEP: We were recently interviewing another CIO who said he has found it challenging to fill security-related positions. Is it also difficult to hire that kind of person because the security challenges are just changing and morphing so much?

LEE CONGDON: That's a great question. I would say we've had some success, and we have flexibility that, say, a defense contractor wouldn't have in terms of being able to source those skills in Australia and in the Czech Republic, for example. And so although we have folks here in the United States, it's a challenge around the globe to find folks with those skills.

Because of the nature of our business, we've been able to draw on the global market for information security skills, but it's a dangerous world. It's getting more dangerous, and those people are in short supply. And again, those aren't folks who you can hire out of school. They need experience, they need contacts, they need awareness of the environment and the business, and it takes a while for those things to develop.

You don't get a good security specialist or a good data architect straight out of college.

CLIFF TAMPLIN: I think that varies. For a lot of people, the brand is very important. But there's also a mindset where the more adventurous types are interested in join-

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ing startups and are really after the short/ long-term equity stakes. As a result, you're sometimes competing with the little startups that can put equity down that a more established company can't.

LEE CONGDON: I would say it helps us being Red Hat, but it's not so much the brand. We're still a mid-sized company in that regard, but rather it is the mission of being an open source leader and a cloud leader and the attributes associated with the firm and our culture that help us in recruiting folks who are interested in open source and being apart of open source communities.

Attracting talented IT candidates

TEP: Are any of you looking at creative and, ideally, cost-effective ways to recruit sought-after IT talent to your organizations? Are there things that you all are doing to attract a candidate who might have a lot of potential offers on the table?

If we have a valued employee leave us, we want to maintain relationships with them.

CURT CARVER: What we've tried to do is start early; start very early in trying to get the student interns or get folks working so that we can evaluate them. And then once we get them, try to accent the advantages that we have compared to our competitors in terms of keeping them. We try to add a personal touch. Every employee is invited to my house, and almost all of them come over to my house in groups, and we have dinner. We invite their spouses. And we've built a lot of engagement via out-

reach, such as "Lunch with the CIO" and our "Praise and Progress" program, to try to form a personal bond with the company.

LEE CONGDON: Our model has been one of contract-to-hire, particularly in U.S. environments, and less successfully, I would add, in India and in the Czech Republic because of different cultural norms around being a contractor. We've identified half a dozen or so trusted firms that bring us folks who have the right skills and are culturally compatible, and we build into the contracts the ability to convert those folks to full-time employees after 6 or 12 months if they're successful and engage with the team and are culturally compatible. And that's actually been a significant success for us because based on those trusted partnerships, we get good candidates from a wide range of locations right up front who have already been heavily pre-screened, and then we actually get to work with them in our environment, on our project teams, for a period of time before having to make the final decision.

It's not as inexpensive as hiring somebody as an employee, as it requires a premium to have the contracting firm at the beginning, but that gives us the flexibility to move up and move down our IT resources as projects come and go and as skill requirements come and go. And it also means that we're really pretty sure about somebody we make an offer to because we've worked with them in our environment on our projects for a period of time. So that's working well for us.

As we continue to grow in scale, we're exploring other options, and we certainly think that we need to promote global diversity instead of just hiring folks in America. We have a lot of folks outside the United States in IT, but they tend to be regional folks in various countries rather

than part of a large team that's developing a project. But we're making progress, and we think that contract-to-hire plus global hiring is probably our long-term successful strategy.

CLIFF TAMPLIN: Hyatt certainly is a strong advocate of the contract-to-hire approach for both contracting and hiring. In some cases, if you just can't get the permanent people, you need the contractors. And then you can work on converting them over and convincing them to come onboard permanently.

As regards to the offshore, I'm working with one of my clients at the moment that's actually building a security center over in Singapore for precisely the reason that they can get more resources in the Far East than we can get in the U.S.

The appeal of flexibility

TEP: So geography is definitely an interesting angle on this, but generation is also another one, given that Boomers, Gen X-ers, Gen Y-ers and Millennials all have different career paths. How are you being sensitive to the differences between the work styles and work perspectives of one generation versus another?

CLIFF TAMPLIN: I don't know that the aspiration to have flexibility is limited to the new entrants to the workforce. It's just the options for it are perhaps becoming more prevalent, or the flexibility of companies is perhaps getting better now. It certainly hasn't been in the past.

TEP: The joke about Microsoft used to be that, "We have flexible scheduling. You can work whatever 18 hours of day you want."

LEE CONGDON: I also think the technology is helping some – with desktop video,

more and better phone options, more and better messaging and email options, collaborative tools like Google Drive and so on. That plus, as was mentioned, the idea that employers have to be more flexible in this regard. With those tools to time shift and a flexible attitude that basically involves getting your job done rather than being in the office from 8:00 to 5:00 or something like that, I think that's helped us.

And I would agree, too, that I don't think it's particularly associated with generations having different views. In my experience, everybody appreciates the flexibility, even if it's time to go spend some time watching their grandkids play soccer.

CLIFF TAMPLIN: And of course, the other point on that is the globalization of our business; there is no 9:00 to 5:00 anymore. It's always 9 o'clock somewhere, and it's actually advantageous to the company to offer the flexibility because it technically spreads the workday.

I always try to create that opportunity for people to move out of my departments and to bring people in from outside those departments, so people will stay fresh.

LEE CONGDON: I would say to the point about working 18-hour days, we're working hard to give our folks problems that are interesting enough that they want to work 18-hour days. And if the problems aren't that interesting, it's probably a candidate for us to hire a partner to do it for us rather than do it ourselves.

Retaining your most talented employees

TEP: Let's talk about retention. A recent Harvard Business Review report found that feeling cared for by one's supervisor has a more significant impact on people's sense of trust and safety than any other behavior, and that if you have a supportive supervisor, you're 1.3 times as likely to stay with the organization and 67 percent more engaged. As people work more flexible schedules, less in the physical office, more decentralized, how do you keep people engaged by ensuring that they do feel valued?

LEE CONGDON: Well, I think you touched on a key point, which is -I won't date myself by saying when-but years ago when I worked at IBM, the managers were the focal point of the company and how people felt from a morale standpoint was directly affected by how they would define their confidence in their manager. So encouraging our folks to be in ongoing contact with their manager, encouraging their manager to give them the right blend of freedom and direction and to be spending time communicating with them and communicating the messages of the organization, and being a sounding board, are all important. And when you don't have the right manager in place, taking the sometimes tough steps to get them out and get the right person in. Those aspects of leadership haven't changed all that much. Bottom line, it is a personal communication and particularly for individual contributors, the first-line manager plays a tremendously important role.

CLIFF TAMPLIN: Totally. And the other thing is that the managers—me personally or others around—not only have to create

that environment, but we have to work collaboratively to ensure that we give people the opportunities to move around. And move such that there are opportunities to grow; people get stale in one role. I'm very fortunate that whether I wanted to or not, the company has always moved me between different roles. But I always try to create that opportunity for people to move out of my departments and to bring people in from outside those departments, so people will stay fresh.

LEE CONGDON: Actually, it took me a while to develop the right attitude on that, but probably three-and-a-half years ago in IT, we were losing a lot of our highly-talented folks to the product division because they were having trouble hiring, and they were attractive jobs for our folks. We were still developing the esprit de corps in the IT organization. The product division, appropriately so, is considered to be a premier technology and engineering part of Red Hat, and so we were having a drain of highly talented individuals out of IT.

And my initial reaction was to work with the management there to try and slow it down; unsuccessfully, I might add. It turns out that it actually was one of the best things that could happen for us because our folks didn't get stagnant, didn't feel they didn't have an opportunity. All of a sudden, if you want to be in a technical role, you can move into a open source development role, which was very appealing to some of our technical folks who wanted to continue to do technical work. And at the same time, as we identified the backfills that we either hired externally or grew from within, we started to do the skills mix shift we perceived we needed in IT, from being just a pure technology organization to becoming business consultants and solving business problems.

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So it has been a win for the product division: They got good people with real-world operational skills. And it's been a win for us: we could show IT career progression and development. And a win for Red Hat because we kept those people within the family, and they are continuing to contribute to the organization. We even start to see some of them coming back to IT now. so I think that's a good thing.

CLIFF TAMPLIN: And of course it doesn't hurt to have friends who've moved out into the various operating units.

Lessons from losing battles for talent

TEP: Let's get a little bit more into personal anecdotes. In the last year or two, has there been a particularly heartbreaking battle you've lost over a great candidate, and how did that happen? And conversely, has there been a terrific coup of someone who was very desirable who vou landed?

It's simply true that when you're in the spotlight, you've got to perform within that role.

CURT CARVER: One that pops to mind is we were trying to hire the lead for our data team, and we thought we had the perfect candidate and actively pursued them and knew they were looking. They actively used us as a lever to get a higher salary with someone else. But the silver lining in that is that we actually found a better candidate from another state, and we're very excited about that. But the active recruiting of that first candidate probably took us

thing. But we very quickly recovered with a different candidate.

TEP: So Curt, based on the immediate lessons that you learned with the candidate who you lost, did you pursue the second candidate differently?

CURT CARVER: No, I don't think it led to a behavior change there. The job that we're hiring into is a tough job. We've engineered in some early wins for them, but we see it as being an absolutely key role, and we wanted to be very transparent on the potential and the opportunities of the job. It's simply true that when you're in the spotlight, you've got to perform within that role. And so I don't think it altered our approach in that we've been very conscientious that this had to be an A+ player. And we really could not accept anything but an A+ player coming into this role.

TEP: Interesting. What about you, Lee?

You want a cadre of satisfied and happy alums so that they can give you referrals.

LEE CONGDON: I would say that we're fortunate that we're bringing enough people into the organization that we've been able to focus on a rich range of candidates rather than a small number of candidates, and I would say the gratifying part has been that we've had several unexpected stars. We expected them to be great at doing their job, but in the data space, in the middleware development space, and in the information security space - all three areas where we talked about difficulty in hiring-we've had several candidates actually stand out to the point where we've now given them leadership and management responsibil-

about five months and did not yield any- ities because they were able to step into the job and actually make a big difference for us. So I would say that the benefit for us and perhaps the good anecdote is that by focusing on bringing in a group of good people, we've also been happy to see that we've been able to get some future leaders out of those hires.

> TEP: And Cliff, you must have a lot of experience with people coming and going.

> **CLIFF TAMPLIN:** In terms of wins, we did manage to get back one of the best security engineers that I've come across in my career, who'd actually left, and we kept in touch with him, kept working at him, and managed to get him to rejoin the company.

> TEP: That's interesting because that probably happens more than gets talked about, that people leave a culture for another and then end up coming back again. And, Lee, we've talked about that as well, that sometimes people see what they've left, end up coming back, and it ends up being an even better story the second time around.

> LEE CONGDON: You want a cadre of satisfied and happy alums so that they can give you referrals. They may come back. They may give you a job someday. And so all of those things, I think, are important. And obviously, there are circumstances where somebody leaves under less than happy reasons where that doesn't apply. But to the extent that you can do it, I think it's important to look at somebody moving on to a new role as a positive step. Keep the communications open, and unless they simply weren't a fit, keep the opportunity for them to return at some point in the future.

> CLIFF TAMPLIN: The golden rule about never burning one's bridges is as true today as it's always been.

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