



# RETENTION RISES AS A KEY LEADERSHIP SKILL

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## Retaining skilled technology experts is essential, but faces a number of challenges

CXOs report that the skills shortage has grown to the point where it is now a major concern. Research from analyst houses, recruitment firms, and forums for business technology leaders all concur that there is a shortage of technology skills at a time when technology is having its most significant impact on business. As a result, business technology leaders are increasingly looking at how they can retain the talent they already have in-house and prevent their most valued human assets stepping out of the door to relieve another CIO's talent challenge.

"In today's digital economy, there is fierce competition for tech skills - with retention being as much of an issue for companies as attracting new talent," says Beverley White, CEO of global technology recruitment business Harvey Nash. White's business carries out two major studies a year, one focused on CIOs and another on the technology staff landscape. Its 2020 study of the technology skills landscape found CIOs and CTOs were struggling to find the talent capable of driving forward the next phase of technology change in their organizations and vertical markets. Cybersecurity skills (39% of global respondents) topped the list of skills in short supply, followed by 31% who cited expertise in artificial intelligence (AI) and robotic process automation (RPA).

A survey by business social media platform LinkedIn backs up the Harvey Nash findings. Its 2020 analysis reports that US AI recruitment has increased by 74% in the last four years. "Enterprises are realizing the value of artificial intelligence and machine learning, and many have already started their journey of automating processes," the LinkedIn report states.

Underpinning the adoption of AI is cloud computing, which is why analyst house Forrester advises CIOs and CTOs to focus on retaining their cloud expertise. "IT leaders need to monitor the market even more closely as the cloud infrastructure market has seen a 30% growth in 2020 compared to 2019," writes Dave Bartoletti, Vice President and Principal Analyst at Forrester.

IT Jobs Watch, a recruitment analytics organization, reports software developers are at an all time high for earnings potential and demand from recruiting organizations. With technology at the center of the customer's relationship with a brand via the digitization of services, whether it be the initial purchase, an online service, or core customer care, software delivery skills are essential to organizations seeking to capitalize on their customer relationships.



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It is not only technologists that CIOs are struggling to find, in today's cross-functional, customer-focused technology team, CIOs are also having trouble finding team members with the requisite cultural skills. Harvey Nash found that strategists were in short supply, according to 41% of respondents, followed by change management specialists and project managers, at 38% and 35% respectively. This is a trend that is set to continue. In a US study, HR.com found that most organizations "lack effective leadership." This is sparking a demand for what experts call a T-shaped employee - those with strong collaboration, problem solving, and teamwork skills, which makes them ideal leaders for change management and project programs, and thus also in need of a strong retention focus by CXOs.

## Retention challenge

The Harvey Nash 2020 survey reveals that technology employees are well aware of their potential to change roles if their current employer is not responding to their needs; their research found that two thirds of tech employees were happy in their role, but were considering a role change. Notably, 40% of respondents said their existing work and personal life balance was prompting the consideration. Pay still remains a motivation (59%) - possibly heightened in early 2020 with the spectre of global trade wars, pandemics, and political unrest on the horizon.

Despite the importance of pay, a wider culture change is sweeping through technology teams, organizations, and society as a whole. As the next generation of employees joins the workforce there is a major change in employee needs.

Technologists in organizations that had a good social purpose were less likely to change roles, Harvey Nash found. Discussions at the 2020 World Economic Forum meeting in Davos, Switzerland suggest that social purpose is extending and will continue to be increasingly important for organizations, in particular if they are to attract the talent they need.

A debate on stakeholder capitalism at Davos found business leaders shaking off old divides between shareholder value and employee care. CEO of telecoms hardware leader Ericsson Borje Ekholm said: "If you run a company, you cannot prioritize the shareholders, because if you do, you're going to make short term decisions and short-term decisions never build a company.

Ekholm continued, "You really need to think about the employees. Having great employees is the only way to have a great company. Great employees will also do the right thing for the customer. And you need to think about society. You have a role in society to play. We as companies need to have that as part of our purpose. We need to help our society develop, whether it's through education, whether its other parts, but we need to play a role in society."





Dheeraj Pandey, CEO and founder of Nutanix, recently told a room of CIOs and CTOs, that he's been very pleased at the extent to which Nutanix employees strive to, as Ekholm puts it above, "do the right thing for the customer": "I am most proud of our people, after 10 years we have been able to seep a customer-centric focus into everybody at Nutanix."

Being focused on the employees, and in particular the new workforce, is not without its challenges, though.

Chris Howell, CIO of global publishing house, Hachette, observed that "For those people born in the 90s and up, they are feeling like they cannot afford a house, they will be less well off, the climate is in a state, and we live in an antagonistic world. So we have a cohort of people in their 20s who have high anxiety."

Howell, as a CIO, sees his role as contributing to how organizations can help this age group engage, and to changing the workplace and leadership for the better.

"I am making sure that I continue to adapt, listening and making sure that I am informed about the challenges and context. This is important as people come into the organization who have life experiences that you cannot be close to," he says.

Technology provides a working environment that allows diversity and emotional awareness to thrive and this can and will lead to greater retention the CIO says.

## New structures

The technological reshaping of culture is also making society more democratic and therefore less hierarchical, which the HR.com research says will suit the T-shaped employees, who are natural leaders in environments that are about outcomes and not political structures. For those being led, over 30% of respondents to the Harvey Nash report said poor leadership was the main reason for changing role, and with technology changing at an unprecedented rate, it is not surprising to learn that over 20% of those changing jobs do so because they saw better training opportunities in a new position.

Rui Pedro Silva, Director of Technology Strategy at global shipping firm Maersk, says making sure everyone in the organization understands why change is occurring can avoid those feelings of poor leadership or not being counted. "We need to have a meaningful strategy that means that as CIOs we help the business to be a digital skills firm, for all people of all ages," Silva says. "This is one of the main goals of the executive, to bring a digital mentality and skills to an organization and we need to be ambassadors."

White adds, "clearly, having good line management and a boss that an individual respects and gets on with can make a significant difference to retention. Whilst there is no silver bullet to keeping prized tech staff, companies can make a significant difference."





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