

# The New IT Workforce Model

How CIOs can meet their organizational and employee IT workforce needs in a highly competitive IT talent landscape.

## IT Workforce Pressures

The changing landscape of the IT workforce has resulted in several challenges:

- Rapid pace of technological change. Organizations have to hire for skills that do not yet exist.
- Fierce competition for IT talent. Increasing demand for a highly skilled IT workforce, limited talent available.<sup>2</sup>
- A changing landscape of employee expectations. Employee expectations around flexibility, benefits, and meaningful work continue to change.
- Low retention rates. Generational tenure expectations have shifted.

Organizations face significant challenges in attracting, recruiting, and retaining their IT workforce. Competition for IT skills is fierce, and the workforce has specific expectations of their employers. IT skills keep evolving further complicating the need to compete for top IT talent – making it challenging for organizations to successfully identify the skills in the near-term and the future.

The IT workforce landscape is changing – rapidly. The number of skills required for work are increasing by 10% year over year – and the goal post is constantly moving – over 30% of the skills needed by an IT worker three years ago will soon be irrelevant.<sup>1</sup> Many organizations are struggling to identify and hire the expertise they will need in both the near-term and the future.

Employee expectations are evolving almost as rapidly. IT professionals no longer solely consider compensation when choosing where to work. They are demanding a deeper, and more human connection to their work. This includes an increased focus on holistic well-being and a shared values system around mission, vision, and goals to foster deeper meaning in their work. IT professionals expect to work where—and when—they want. Organizations that are unable to keep up with changing expectations are finding it challenging to recruit and retain the right talent as they compete with other employers for a limited pool of IT professionals.

## Meeting the IT Workforce and the Organizational Needs Holistically

Creating a holistic IT workforce strategy is critical for organizations. An effective strategy must respond to and anticipate both organizational and employee needs. IT organizations will need to rethink their outlook on traditional hiring and retention strategies. In short, organizations will need to position themselves to address emerging needs and challenges both internally and within the IT workforce landscape.

### Hiring for skills that do not exist yet.

With the half-life of skills getting shorter and shorter, organizations will need to hire for organizational culture fit to meet current and future IT skill demands. This will continue to be a challenge – especially given that even at present, many technology skills do not exist now for work that will need to be done in 18 months.<sup>3</sup>

### Creating a culture of learning.

By hiring for cultural fit and prioritizing hires with a learning and growth mindset, organizations can align their workforce needs with their changing digital business needs through professional development. Focusing on building a culture of learning will enable IT organizations to upskill and reskill their workforce with ease and ensure alignment of workforce capabilities with changing digital business needs. Organizations must facilitate the development of key soft skills for their IT workforce and hire IT professionals that are able to adapt to changing requirements—and have a desire to continue to learn new technology as it emerges.

### Building out innovative and continuous learning capabilities.

The new generation of digital-native workers prefers self-directed, social, and immersive learning opportunities available anytime, anywhere through multiple devices and media. Organizations need to ensure they have the infrastructure and processes in place to nimbly provide self-directed continuous learning opportunities through apps, and a culture that is well-positioned to encourage staff to access them directly, in order to create a just-in-time microlearning training model.

### Cultivating a meaningful employee experience to drive retention.

By centering on three core practices, organizations can nurture a positive, engaging employee experience to retain IT employees:

- **Meaning through mission:** Fostering a sense of organizational belonging by making staff feel more connected to your organization.
- **Flexibility for work-life integration:** Creating policies and practices for a hybrid or remote workforce enables IT workers to choose how they work best while meeting organizational goals.
- **Focus on well-being:** Prioritizing well-being and a whole person-centered approach to work enables IT organizations to create a meaningful employee experience.

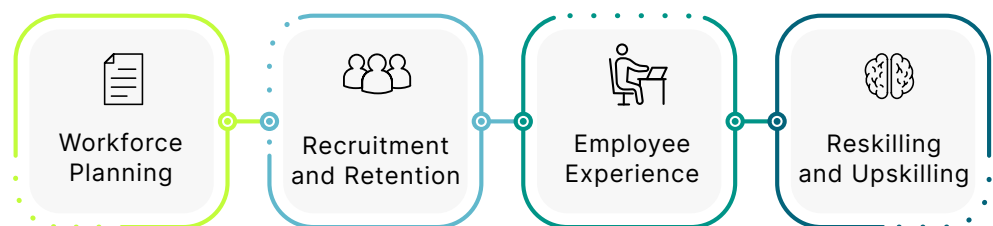
### Developing organizational agility around internal processes and infrastructure.

Organizations must take a flexible, integrated approach to address changing organizational and employee needs. This agility includes capitalizing on employee skills to address organizational needs, as well as in continually assessing the competitiveness of total rewards and adjusting as needed.

- **An agile talent marketplace:** Managers and employees should be able to access projects, needed skills, and employee resumes to match opportunities within the organization. Deconstructing jobs into deliverables, skills, and capabilities and allowing employees to bid for these jobs will encourage internal promotion and growth. Leveraging AI to manage the talent marketplace will also enable IT organizations to grow and scale.
- **An agile approach to aligning total rewards:** This comprehensive approach entails understanding that total rewards go beyond pay and putting regular processes in place to nimbly assess and modify rewards as the compensation landscape changes. Focus on well-being: Prioritizing well-being and a whole person-centered approach to work enables IT organizations to create a meaningful employee experience.

## The Four Facets of IT Workforce Modernization in Action

Organizations will fall behind if they only focus on hiring for the IT skills they need now. Instead, they need to develop a holistic workforce strategy. Guidehouse has developed a framework focused on four key facets—workforce planning, recruitment and retention, employee experience, and reskilling and upskilling—that work in tandem to build an IT workforce that has the skills needed now and those that will be indispensable in the future. These facets are not mutually exclusive, but rather interconnected levers that organizations can pull to get to a robust and sustainable future state.





### Workforce planning needs to go beyond traditional norms.

Involve the C-Suite to garner alignment between CIOs and IT leadership to craft a strategic organizational workforce plan. Conduct benchmarking and a gap analysis to gain holistic insights of the current state and projected future needs. Build a workforce analytics dashboard to track current state and progress towards KPI goals, and develop an IT workforce specific volume-based staffing tool and workforce planning tool. Consider alternative credentialing or demonstrations of skill rather than a traditional certification to address skills needs. Focus on proactively creating continuity by identifying critical, at-risk positions and developing succession plans to enable growth goals and avoid service disruptions.

### The approach to recruitment and retention must change as the landscape changes.

Establish processes to evaluate discrete goals and objectives around both recruitment and retention. Clearly define the brand and recruitment marketing strategy to serve as a means to attract potential hires. Analyze the IT workforce HR program to identify trends and gaps and examine current organizational needs and against existing skills to see where existing IT talent can be realigned or leveraged to meet staffing and skills needs. Create an internal marketplace of skills and deconstruct jobs into deliverables, skills, and capabilities, where managers and employees can see what skills are needed and can bid on these opportunities. This will drive engagement, professional development, and address immediate gaps. Foster transparency by communicating direction and deploying appropriate change management strategies to further drive retention.

### Employee Experience must be in line with market forces and employee expectations.

Work with key stakeholders and leadership to establish goals and objectives to create an effective IT workforce employee engagement and retention strategy. Leverage Guidehouse's TrueCulture Framework to gather insights on current-state factors impacting employee experience to inform developing a future-state blueprint, which aligns with key areas of importance for employees and encompasses an assessment summary and actionable next steps. Create a sustainment strategy to enable organizations to execute on identified actionable steps and use tailored metrics to measure impact. Use this to continually improve the employee experience.

### A culture of continuous learning must be at the heart of upskilling and reskilling efforts.

CIOs and organizational leaders must align around scope, strategy, and goals for IT upskilling and reskilling in addition to vocally supporting and driving a culture of continuous learning. Develop and invest in IT talent infrastructure. Look at IT marketplace skills for both current and projected future work. Conduct a gap analysis in relation to existing employee skills. Conduct a training needs assessment to use for developing necessary progression activities, including soft-skill requirements. Ensure delivery infrastructure and processes are in place. Use just-in-time format of smaller, micro-learnings that are accessible both in a laptop or mobile format, as IT professionals are increasingly digital natives that prefer learning to happen virtually and more organically.

### Delivering on the Four Facets of Workforce Management

Today's competitive market requires organizations to innovate and invest in their workforce while adopting strategies to attract and retain top talent. Addressing these four facets will support organizations in developing an IT workforce that can quickly adapt to and learn the latest technology, build diverse talent pools, and improve the overall employee resulting in enabling an organization in reaching its IT enabled goal. Guidehouse has deep expertise in supporting organizations in evaluating their current state, developing a blueprint for their IT workforce future state, and guiding organizations through this process.

1. [gartner.com/smarterwithgartner/stop-training-employees-in-skills-theyll-never-use](https://gartner.com/smarterwithgartner/stop-training-employees-in-skills-theyll-never-use)
2. [gartner.com/en/newsroom/press-releases/2021-09-13-gartner-survey-reveals-talent-shortages-as-biggest-barrier-to-emerging-technologies-adoption](https://gartner.com/en/newsroom/press-releases/2021-09-13-gartner-survey-reveals-talent-shortages-as-biggest-barrier-to-emerging-technologies-adoption)
3. [cio.com/article/222515/6-soft-skills-it-needs-to-succeed-in-the-digital-era.html](https://cio.com/article/222515/6-soft-skills-it-needs-to-succeed-in-the-digital-era.html)

## Why Guidehouse?

### Guidehouse Advantage

### Guidehouse Difference

#### Data Driven Capabilities

Our advanced analytics professionals, such as data scientists and workforce specialists, harness our client's workforce data through data driven workforce analytics to inform talent related decisions, evaluate the impact of workforce decisions, and track progress across the entire human capital lifecycle.

#### Tools and Accelerators

Guidehouse's seasoned professionals leverage various technologies and tools, such as our IT assessment frameworks to assess organizational structures and create strategies to reduce the time to hire, increase efficiency, cut costs, and improve the employee experience.

#### Industry Technology Leaders

Our team draws upon a broad spectrum of commercial and public sector subject matter experts, as well as leading technologists and innovators, to develop tech-enabled solutions to solve our clients most pressing workforce challenges.

#### Compliance Expertise

We understand the nuances around compliance across the commercial, federal, and state & local government space. Several areas, such as human resources and certain IT functions, can be highly regulated. Our SMEs are closely aligned with industry organizations and Federal entities establishing those regulations, and we can help our clients navigate this complex terrain.

#### Ability to Serve Locally with a Global Mindset

With 50+ offices globally, including offices in North America, Europe, Asia, the Middle East, and Africa. Our footprint mirrors those of our clients, enabling us to grasp the nuances of cross-border businesses, conflicting mandates, and fragmented workforce policy environments. Our diverse workforce provides culturally aligned solutions as it is 37% racially diverse across six generations, speaking over 30 languages. Additionally, Guidehouse is committed to equality and providing a supportive work environment - 49% of our employees are women and 5% are either veterans or active-duty military.





## About Guidehouse

Guidehouse is a leading global provider of consulting services to the public sector and commercial markets, with broad capabilities in management, technology, and risk consulting. By combining our public and private sector expertise, we help clients address their most complex challenges and navigate significant regulatory pressures, focusing on transformational change, business resiliency, and technology-driven innovation. Across a range of advisory, consulting, outsourcing, and digital services, we create scalable, innovative solutions that help our clients outwit complexity and position them for future growth and success. The company has more than 16,500 professionals in over 55 locations globally. Guidehouse is a Veritas Capital portfolio company, led by seasoned professionals with proven and diverse expertise in traditional and emerging technologies, markets, and agenda-setting issues driving national and global economies. For more information, please visit [Guidehouse.com](https://www.guidehouse.com).

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