VARIOUS LEADING PRINCIPLES IN FAVOUR OF ACQUIRING AND KEEPING TOP IT TALENT

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ABSTRACT

Many business leaders believe that it is the talent within their organisations that creates a competitive advantage and can be a real differentiator many are still struggling with the implementation. The effective management of talent on a global scale represents a critical challenge for today's organizations. The paper discusses about various leading principles in favour of acquiring and keeping top IT talent that can help in the field of identifying, recruiting, and selecting talent from the external market developing employees, managing talent flows, ensuring retention of talented employees can apply to the effective utilization of self-initiated employees, with direct implications for guiding the future work of practitioners and researchers alike. The study also provides guiding principle to attain organizational brilliance all the way through talent management.

KEYWORDS: Talent Management, Acquiring and Keeping Talent, Talent Retention, Job Selection.

INTRODUCTION

"In today's uncertain world, managers can't forecast their business needs accurately. In such a scenario, talent management turn out to be extraordinary challenge"

Keeping your best talent was easy when few companies were hiring and employees felt stuck at their jobs. But now, retaining the cream of the employee crop is a struggle again for many managers. When layoffs are frequent and retirement pensions are pretty much non-existent, workers feel less loyal to their companies than they did in previous decades and are willing to jump ship if they find better pay or better prospects elsewhere.

A recent Towers Watson report indicated that the average staff turnover rate in Malaysia had risen 15% in 2011 compared to 2010 with top management level turnover as high as 25%. In America, studies have shown that the average public listed company *loses half* its employees every four years. It is also best practice to have more than one interviewer to allow for multiple interviewer perspectives to be integrated creating a more professional, consistent, fair and accurate assessment of the candidate.

"People are not your greatest assets, the right people are your greatest assets." -Jim Collins

"Unstructured interviews can result in 80% of your hiring decision to be wrong."- Findings of the British Psychological Society

The above quotations may sound alarming but managers who are directly responsible for the hiring and promotion of staff should take heed. In today's competitive business environment organisations cannot afford to make mistakes when it comes to selecting and managing talent.

Winning the war for talent requires pursuing the best and the brightest with relentless determination. "Sometimes we make the mistake of thinking we're just interviewing people, and they have to sell us [on themselves]," says Bob Prosen author of the bookies. In truth, you need to sell prospective candidates especially the hottest ones on your organization.

Todd Lunsford, the CIO of Quicken Loans, says his senior executives aren't shy about personally following up with top prospects. After all, nothing makes an impression on a candidate like getting a personal call from the employer's top brass. "I've had the CEO or chairman contact people if we [IT managers] feel we haven't done a good enough job of selling them on our culture," he says. The devotion of Quicken Loans' senior executives to pursuing top talent is one reason why the Livonia, Mich.-based company's offer acceptance rates are so high, at 80 percent.

EMPLOYER RETENTION STRATEGIES

What are companies offering to help retain at risk employees?

- ↳ Flexible schedules
- ↳ Chance to work on new technologies
- ↳ Increased salaries
- ↳ Promotions
- ↳ Better bonuses
- ↳ Allowing telecommuting

WHAT TECH PROFESSIONALS WANT?

What might convince IT pros to remain in their current position other than salary increase?

- ➔ More advancement opportunities
- ➔ Flexible schedules/telecommuting
- ➔ Chance to work on new technologies
- ➔ Better benefits
- ➔ Other incentives

According to Business 2.0 magazine, for every two baby boomers who retire in the next Decade there will only is one college grad to take their place. "The challenge for IT manager is going to be getting candidates in the door and hanging onto them.

"Today there is no job security and the likelihood of lifetime employment with one company is the thing of the past. Moreover, in open market economies, why would you be investing in talented people who, you know, will soon leave your firm for a competitor"

LEADING PRINCIPLES OF ACQUIRING AND KEEPING TOP IT TALENT

The IT departments that effectively support and enable their companies in the next decade will be pure and simple the ones that have enough of the best people. Those that fall behind will do so because they underestimated the competitiveness of what many economists predict to be the most intensive war for talent in the history of American business.

Over the next decade, your career will hinge on your ability to attract and retain top-notch IT professionals. Your success in doing so carries an additional bonus: It helps you stand out as a top candidate for IT management opportunities down the road. Below are seven tactics for winning the talent war.

- **Put Money Into Supporting And Training Employees**

This is an area that fell by the wayside when employers were cutting any extra costs just to get by. When you help employees learn new skills while on the job, you will get payback in the form of better performing workers who are both more productive and have a higher level of respect for the company.

Otherwise, prepare yourself for the reality that they may leave. Many young, talented managers have switched jobs specifically because of a lack of thorough training and mentoring from their superiors, according to research by Harvard Business Review. In interviews with more than 1,200 high-performing employees, researchers heard repeatedly about an expectations gap between the type of support and coaching those employees thought they would get, and what they actually received. Feeling frustrated, they were left to scroll through job listings during their lunch breaks.

- **The 9-5 Approach**

Statistics suggest that companies with more flexible attitudes toward work hours are more successful in both attracting good talent and retaining it. In a recent Centre for American Progress survey, 75 percent of adult respondents said they'd like their workplaces to offer more schedule flexibility, such as "flex time" contracts, which would allow employees to work from the comfort of their home for half the workweek. Whether it's company-wide or for your high performers, be open to less

traditional schedules, whether they come into the office early and leave early, or work from home on Fridays and dial in to important meetings. Keeping the focus on productivity and what the employee is accomplishing, as opposed to whether or not they are in the office for a certain number of hours per week, makes your employees feel valued and respected without sacrificing the company's bottom line.

• Give Pats On The Back

Your younger crop of employees want regular feedback, and your older ones expect that you'll at least acknowledge their hard work every once in a while. Giving consistent feedback is always a great way to show that you care about and are engaged in your employees' on-the-job development. It doesn't have to cost much verbal or email acknowledgements are free, after all and giving small tokens for good work, like a Starbucks gift card or a nice one-on-one lunch can make employees feel appreciated.

• Avoid Stack Ranking

Join the growing number of tech companies, including Microsoft, that are killing the practice of "stack ranking." A common tool used to set apart the best employees from the rest, the stack ranking method grades people based on productivity. Those who score high get bonuses and promotions, while those who rank low are at risk of being fired.

While this practice can make layoff decisions easier, companies have found it has also increased workplace politics and stifled innovation. Employees can easily feel stressed and cornered in an atmosphere of constant competition that is reflected in their pay check, and loyalty often falls by the wayside when someone feels their livelihood is at risk, leaving them to consider other positions that offer more job security or a lower stress workplace. Reconsider how you rank employees and consider how such evaluations affect morale and productivity.

• Manage Your Managers

Keep your workplace a positive one for employees by making sure your managers know what they're doing. In the average company, employees are promoted and thrown into management without any training which can be a recipe for disaster. Instead of taking the risk of having ineffectual, uninspiring, or (even worse) divisive leaders in your company, which contributes to a negative workplace atmosphere and drives down productivity, send your upcoming managers to leadership courses or have them work with in-house mentors. The more positive an effect your managers have on the work environment, the more you'll be able to retain your best and brightest team members.

When you're attentive to your employees and company culture usually in the form of support and training but money certainly doesn't hurt either the result is a happier workforce with eyes on moving the company forward, not on what other companies have to offer.

• Offer Challenging Work That Matters

Sonja Nelson, who built world-class software development teams for BMC and Neon Enterprise Software, knows what it takes to court the industry's best. After all, she's hired more than a hundred of them in her multi decade career. "If they're really talented, there's no point in giving them ordinary, day-to-day work," she notes. "They want to be the architects, not the bricklayers." So don't wait until your best people have left to find out they were bored. Challenge them with important initiatives. Then watch them rise to the occasion.

At North western Mutual, former VP of IT Zwieg created a resource centre focused on employee development and feedback. One of its primary purposes was to match the department's needs with the projects his IT employees most enjoyed working on. This model helped Zwieg's IT group land in the top 20 on Computerworld's Best Places to Work in IT list, and resulted in a flurry of qualified employee referrals.

Providing a challenging work environment has an additional benefit: When you do lose good workers, it increases the chances of them returning, especially if their new job doesn't measure up to their old one. That was the case for at least one IT worker who left PCL Construction only to return six months later, according to Brian Ranger, the Canada-based company's general manager of systems and technology. Ranger says the employee sought his previous job because he wasn't growing as much in the world of consulting as he was at PCL.

• Provide An Abundance Of Opportunities

One of the surest ways of attracting and retaining top talent is offering workers ample avenues for furthering their careers. Author Prosen underscores the importance of talking to candidates not only about the job they're considering, but also about where it might lead. Discussing career opportunities with candidates up front shows them there's a future with your organization.

Similarly, if your company is known for promoting from within, be sure to strut your track record to candidates you're courting. Quicken Loans' Lunsford is a firm believer in giving priority to internal candidates. "I would say 92 out of 100 times we're going to find the right person [already] in our company and [then] backfill them," he says. Promoting from within also helps Lunsford, whose

staff has grown from 10 to more than 350 employees in nine years, retain workers. Ensuring your best people gets the chance to move up and around limits the likelihood of them moving on.

Help your staff be all they can be There are plenty of ways to show your staff that their success and satisfaction are important to you, whether through mentoring, extra attention or simply allowing them more latitude in how they execute their job functions."Being a mentor and adviser to your employees is what sets leaders apart from managers," says Marita Ventura, CTO of payment solutions provider I4 Commerce. Ventura employs a consultative approach with subordinates, preferring to advise them rather than tell them what to do. She feels that's the best way for her people to learn and develop professionally.

Ventura harnessed this approach with an employee initially recruited for his technical skills. She perceived leadership potential and fanned the spark into a flame. He now directs the company's core systems development, and is passing along the mentoring torch himself. "His team trusts and respects him," she says, "and looks to him for that same level of guidance that I once provided to them directly."

Quicken Loans' Lunsford makes a point of instilling a sense of empowerment among his tech workers. He wants his IT staff to be able to recognize business processes that could be made more efficient with technology, so he has them spend time observing how business users employ the company's systems. If, for example, a member of the tech team sees a user going to a website to re-key data and verify information, Lunsford says the team member will determine why that user has to re-key information and begin discussions to come up with a technical solution that will streamline the user's work. "We have created countless interfaces internally and externally for this purpose," says Lunsford. "There is no bureaucracy. A team member doesn't have to get approval to create a custom solution; they execute."

• Trust And Respect Your People

For Quicken Loans' Lunsford, trust is a two-way street between an employee and a manager that begins during the interview process. The candidate needs to trust that the hiring manager is accurately portraying the culture of the company and the job opportunity, and the employer needs to trust that the candidate is accurately representing his skills and experience, according to Lunsford.

Trusting and respecting your employees also means tolerating their mistakes and recognizing that mistakes are part of your staff's learning process just as they were part of yours.

Lunsford, who's worked for Quicken Loans for nine years, says he's able to make solid, self-assured decisions today because he's learned from mistakes he's made in the past. He credits the support he received from colleagues and managers with helping him get through his school of hard knocks, so he offers his workers the same understanding.

On the strength of their quality manpower, a lot of tech companies are also trying to prove that Indian firms could succeed on the World stage, like the HCL and Infosys.
In fact the HCL has as its mantra with the tag line, "Employees first, customer second"

• Applaud A Job Well Done

Employees won't remain with a company if they don't feel that their work is appreciated. Consider devising creative ways to acknowledge and reward outstanding performers as one of the perks of your job.

At Quicken Loans, the IT group is in the process of creating a "Wall of Fame" that will recognize employees who have come up through the ranks on the technology team. The IT staffs has also mounted an 8-by-4-foot bulletin board that features the names of employees who have been nominated by one of their colleagues for exemplifying one or more of the company's corporate philosophies, which include "Simplicity is genius" and "Innovation is rewarded, execution is worshipped."

Another way to recognize outstanding contributors is to let your team see the impact of its work on customers. For software vet Nelson, the products her teams brought to market served as public showcases for her staff's talent. Sharing customers' positive feedback with her teams was a way for her to make them feel good about the work they did.

• Create An Exciting Environment

Your staff's works as hard as you do, so whatever you do, don't take the proverbial T-Bird away: Make sure everyone's enjoying the ride.

Fun comes in all shapes and sizes. It can emanate from something as simple as business expansion or new facilities, points out Zwieg, such as when North-western Mutual expanded its product lines and invested in a new data centre. He says both activities generated excitement among his staff.

If there's nothing like a new data centre on the horizon to galvanize your staff, there are endless opportunities to make everyday life more energizing and enjoyable for them. For example, Quicken Loans' Lunsford says his company gives its employees "a lot of creative

license" when it comes to decorating their work spaces. One particularly creative systems architect, whose nickname is Grandpa, placed fake grass and a sign that reads "Stay off the lawn" in his area along with mock-ups of him yelling at kids in his "yard." Other employee decorations include a life-sized cut-out of Elvis Presley, a talking fish plaque and an inflatable rhinoceros hanging from the ceiling. "Every time I meet with someone who walks in the door for the first time, they get this sense, Wow, this a cool place," says Lunsford. And there's nothing like that smash factor to persuade a sought-after candidate.

Knowing how to build effective, consistent, low-turnover teams is vital. Your demonstrated ability to hire and retain high performers will set you apart from other job prospects the next time you consider a new opportunity yourself. Adopting these tactics for attracting and keeping the cream of the crop will help you become a better leader and a more sought-after candidate for the top IT jobs.

CONCLUSION

At the beginning of this we highlighted how it is the 'right' people and not just people that are your organisation's most valuable asset. We also looked at the employer retention strategies along with how poor hiring decisions can result in significant costs to an organisation that goes beyond simple financial costs. Unfortunately for most organisations, selecting the right people has been a major challenge which resulted in high rehiring costs. The single most important consideration when trying to fill a vacancy is identifying the right competencies for the job. Only when these competencies have been accurately identified are we able to know what skills, knowledge and behaviours our ideal candidate will require to perform the job well. We also highlighted the leading principles of acquiring and keeping top IT talent and also highlighted a number of alternative principles to talent selection that organisations may wish to explore. For very critical and senior positions, organisations may choose to use an assessment centre to maximise reliability and reduce the risk of costly poor hiring decisions.

"A generation ago, companies would hire very carefully, keeping in mind, your long-term value to the company. But today, they think of you for a short term only.
They know you'll leave them, sooner or later"

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