FINDING TECH TALENT FOR YOUR COMPANY'S DIGITAL TRANSFORMATION

A recent global survey conducted by Deloitte and MIT Sloan Management Review found that nearly 90% of respondents anticipate the need for digital transformation, yet only 44% feel their organizations are adequately prepared.[1] Many companies lack the appropriate technical talent to transition their operations and systems to the digital market environment.

Digital transformation requires technical staff with more advanced skills and multidisciplinary experience to understand the digital needs of the business at a deeper level. Technical staff must know and understand legacy IT systems and be able to creatively undertake the challenges inherent in digital conversion.

Having the right technical talent can be a game-changer. McKinsey & Company found that acquiring top technical talent can yield faster results and significant cost savings by accelerating the digital transformation process by 20% to 30%.[2]

The positions most sought for digital transformation include:[3]

- **Experience designers and engineers** — Experience designers seek to understand and intimately know the customer to effectively improve the customer experience. They team with mobile and front-end web engineers to create exceptional customer interfaces and experiences.

- **Scrum masters and agility coaches** — A scrum master acts as the facilitator for an agile development team, which creates software in rapidly iterative cycles. A software development "scrum" is the methodology that allows teams to self-organize and make changes quickly.[4] Agility coaches act as change agents in the organization to transform how its employees think and work.

- **Product owners** — Digital product owners are focused on delivering high business value for technology products and services. They understand technology and user-experience issues and factor performance information into their decisions about which features to develop.

- **Full-stack architects** — These individuals link the digital vision and framework with the business vision. They must be fluent in a wide range of digital technologies, from web/mobile user interface design to back-end databases and legacy systems, and they usually have a specialty in a particular area.

- **Next-gen machine learning engineers** — These engineers help companies transition to machine-learning business applications that work with large amounts of customer data in a cloud computing environment.

- **"DevOps" engineers** — They integrate software development and operations skills to help companies address the transition to a cloud-based IT development and infrastructure ecosystem. This area of digital transformation is progressing quickly as networks, servers, applications, storage and other infrastructure move to the cloud.

PNC

> Make targeted anchor hires who are recognized leaders in their discipline or industry. These hires will attract other outstanding talent who wish to work on exciting projects with these luminaries.

RETHINK YOUR TALENT ACQUISITION STRATEGY

Traditional recruiting methods often are too slow to provide needed technical talent in a competitive and rapidly changing environment. McKinsey & Company recommends that companies rethink their IT talent acquisition strategy and:[5]

- Build a compelling vision for the company's digital transformation, one that draws candidates and persuades them to stay. Deliver on the promises outlined in the vision.

- Make targeted anchor hires who are recognized leaders in their discipline or industry. These hires will attract other outstanding talent who wish to work on exciting projects with these luminaries.

- Engage with tech talent in non-traditional environments such as chat rooms, white hat hacker sites and source-code repositories. Promote interactions with in-house technical experts to attract attention to company projects and their unique challenges.

- Use digital labor platforms to gauge candidates' skills and see if they are a match with the company's culture. Some organizations use online competitions with prizes to assess the technical, teaming and communications skills of participants who may become job applicants.

- Build a network of vendor partners to provide specialized skills for different aspects of digital transformation. This may speed the process and reduce the need for long-term hiring.

- Quickly optimize tech talent gained through M&A transactions by using a "reverse take-over" approach in which a small tech team from the acquiring company infiltrates the target company's tech team in a separate environment. This allows the acquiring company to quickly access the skills of new tech talent while the rest of the company works through integration issues.

To discuss these topics in more detail, please contact your PNC Relationship Manager.

1   "Aligning the Organization for Its Digital Future," by Gerald C. Kane, Doug Palmer, Anh Nguyen Phillips, David Kiron and Natasha Buckley, *MIT Sloan Management Review*, July 26, 2016. Executive summary available at: http://sloanreview.mit.edu/projects/aligning-for-digital-future/

2   "The new tech talent you need to succeed in digital," by Satty Bhens, Ling Lau and Hugo Sarrazin, McKinsey & Company, *Digital McKinsey*, September 2016. Available at: http://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/the-new-tech-talent-you-need-to-succeed-in-digital

3   "The new tech talent you need to succeed in digital," by Satty Bhens, Ling Lau and Hugo Sarrazin, McKinsey & Company, *Digital McKinsey*, September 2016. Available at: http://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/the-new-tech-talent-you-need-to-succeed-in-digital

4   Definition of scrum master found at TechTarget.com. Available at: http://whatis.techtarget.com/definition/scrum-master

5   "The new tech talent you need to succeed in digital," by Satty Bhens, Ling Lau and Hugo Sarrazin, McKinsey & Company, *Digital McKinsey*, September 2016. Available at: http://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/the-new-tech-talent-you-need-to-succeed-in-digital

pnc.com/ideas

PNC