Digital Workplace Talent and Skilling Essentials for Midsize Enterprise CIOs

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Midsize enterprises face specific financial and cultural challenges when competing for digital skills. By understanding essential strategies in today’s talent market, MSE CIOs can meet their talent demands to succeed in digital transformation.

Overview

Key Findings

- 74% of MSE CIOs have already deployed digital workplace applications to support working from home and another 24% will deploy these applications in the next three years.
- A majority (55%) of MSE CIOs increased their investment in training the IT workforce.

Recommendations

As MSE CIOs seeking to satisfy digital talent needs, you must:

- Build and sustain an environment of transparency and trust in the IT organization by leveraging the innate intimacy of a midsize enterprise.
- Tackle the unique financial and cultural challenges you face in the labor market when competing for digital skills by reimagining HR processes, like collaborating with executive management and avoiding rigid screening to strategically compete in today’s talent market.
- Improve your ability to execute the organization’s vision by assessing existing technical skills within the organization and how best to utilize them where they will provide the most impact.
Introduction

COVID-19 forced midsize enterprise (MSE) CIOs to refocus IT resources in ways they were not prepared for, and in most cases, unable to do in the past. It also demonstrated that for most office workers, the digital workplace is essential. In fact, 90% of MSE CIO participants in the 2021 Gartner CIO Survey have deployed, or will deploy within the next 12 months, a digital workplace to support working from home (see Figure 1). Many new IT skills, including robotic process automation (RPA), artificial intelligence (AI) and collaboration will be needed to support this change. IT leaders are needed to marshal digital workplace technologies and the changes they bring. A strategic focus on some key essentials will allow MSE CIOs to more successfully access the talent and skills they need to better help employees work in ways that support digital transformation.

Figure 1. MSE CIO Adoption Plans for Emerging Technologies

The question MSE CIOs must ask themselves is “do we have the skills to grow our talent internally or are we going to have to look externally?”

Analysis
Create and Nurture an Environment of Transparency and Trust That Amplifies the Innate Intimacy of Your Teams

Start by making sure the environment you create and maintain is one where you also retain your best talent. In MSEs, relationships are inherently more intimate. Owners, family members, managers, employees and co-workers have friendships that often extend, inside and outside of their own teams, and much like an extended family, no one wants to feel like an outsider. MSE CIOs must, therefore, be totally transparent and consistent. This inherent intimacy also requires CIOs to be discrete in their communications. This builds integrity, which in turn builds trust, and trust encourages openness allowing employees to feel comfortable to experiment, try new things and be innovative, especially in small teams.

MSE CIOs must continually be on the lookout for issues impacting their teams and their relationships with other parts of the business. Where issues arise that impact the environment associates work in through lack of transparency, understanding or misunderstanding, the inherent intimacy breakdowns and dysfunction can extend rapidly throughout the enterprise. Business goals are impacted and resources are wasted in avoidable remediation. MSE CIOs must look to the following strategies to build and sustain transparency in the organization.

Recommendations:

- Create a sense of openness through psychological safety using Gartner’s Create Psychological Safety in IT to Boost Team Performance to help better increase engagement and performance.

- Strengthen the bond between business and IT employees by building collaboration between the two groups on digital projects, as described in Midsize Enterprise CIOs Must Set Up a Digital Business Team to Create a Digital Workplace Culture.
Optimize Talent Acquisition Efforts by Showing Candidates a People-Centric Enterprise That Welcomes Diversity, Creativity and Personal Growth

A people-centric approach is defined as less focus on HR compliance issues and a greater focus on the growth and skilling of talent within the organization. For MSEs, adopting a people-centric approach to talent management versus traditional HR can optimize hiring efforts and avoid the costs associated with employee turnover, such as retraining or retooling. MSE CIOs and executive management must work collaboratively with HR to avoid screening processes that eliminate candidates who would be a strong business and cultural fit, based on a rigid criterion (such as academic achievement or specialized certifications).

MSE executive management, not just the CIO, must work to build the following skills into the day-to-day practices of their HR partners:

- **Talent manager skills:** The talent manager works with executive management, learning the business and IT visions and helping to refine the talent search process. The goal being:
  - A collaborative process in which incoming resumes are reviewed with a talent manager to target and identify the optimal recruit(s) for your organization.

- **People manager skills:** The people manager works with the CIO and leadership team to improve associate development with business, information and technology skills that drive organizational change and improvement. The goal here being to work with departments and employees to:
  - Ensure the organization vision is clear and communicated effectively, so as to engage associates, and build the brand that will attract new talent. Work with departments to assess skill sets that need to be grown and added, and/or acquired in helping to develop strategies to meet those needs.

**Recommendations:**

- Identify key organizational criteria for new hires by reviewing the Remodel Core Technologies section of The 2021 CIO Agenda: Seize This Opportunity for Digital Business Acceleration.

- Create an employment value proposition enticing top candidates to apply to your organization using the strategies in Introduction to Employment Value Proposition.
Assess the Skills You Have Now

Before looking outside the organization to fill talent and skills gaps, look inward and beyond IT to the business as well. With the consumerization of enterprise technology, business employee technical aptitude has grown. In Gartner’s Case Study: Microsoft Office 365 Adoption in a Midsize Enterprise (Davines), we cover how the CIO of Davines deployed a digital aptitude test to all employees. Many consulting firms provide prepackaged aptitude surveys to better assess employees’ digital knowledge. Conversely, to be more cost-effective you could create your own survey using Microsoft 365 or Google Workspace built-in survey functions to establish a baseline and more.

Recommendation:

- Use the competency selection tips in Gartner’s Interview Question Generator to help identify and craft questions for the skills you are looking for.

Assess Candidates’ Proficiency to Adapt and Fit In Through Experiential Interviews

When it is time to look outside the organization, it’s important to hire the right person the first time. With the popularization of remote work, Gartner’s Tool: Guide to Conducting Virtual Interviews can help with creating strategies to get the most out of your interview time. Consider giving candidates an exercise focusing on “a day in the life” of what the job would entail, and give them a chance to demonstrate their capabilities through performance. For example, if you are hiring a developer, give the person a small project to code. Then have an internal panel review the code and question candidates with questions such as:

- Why did they do certain things a certain way?
- What would they change if certain functions had to be added?
- How would they have collaborated on the project if working with others?
This will provide pointed insight into their approach, thought processes and how the person will fit into the dynamics of the team. While screening for proficiency and competency is paramount, you are also assessing the candidates’ level of passion, commitment, ability to quickly adapt and quality, while ensuring a cultural fit.

Have a checklist and determine their:

- Level of passion and/or excitement about their work
- Flexibility and willingness to accept new ideas
- Adaptability and critical thinking
- Ability to handle constructive criticism
- Resourcefulness and the ability to work autonomously
- Capacity for dealing with conflict

Recommendations:

- Build your initial interview questions by adapting Gartner's guides and toolkits, including:
  - Competency-Based Behavioral Interview Template
  - Tool: Guide to Conducting Virtual Interviews
  - Consider how best to manage a virtual interview process using Gartner's Managing a Virtual Interview Process.
Evidence
The 2021 Gartner CIO Survey was conducted online from 14 July 2020 through 14 August 2020 among Gartner Executive Programs members and other CIOs. Qualified respondents were each the most senior IT leader (CIO) for their overall organization or a part of their organization (for example, a business unit or region). The total sample was 1,877, with representation from all geographies and industry sectors (public and private), including 574 responses from midsize enterprises. The survey was developed collaboratively by a team of Gartner analysts, and was reviewed, tested and administered by Gartner's Research Data and Analytics team. *Disclaimer: Results do not represent “global” findings or the market as a whole but reflect sentiment of the respondents and companies surveyed.*

Document Revision History
3 Talent Management Essentials to Execute Midsize Enterprises’ Digital Strategy - 11 July 2019

Recommended by the Authors
Some documents may not be available as part of your current Gartner subscription.
State of the Digital Workplace in Midsize Enterprises, 2020
Case Study: Microsoft Office 365 Adoption in a Midsize Enterprise (Davines)
Position your IT organization for success.

Explore these additional complimentary resources and tools for midsize enterprises:

**Roadmap**
Emerging Technology Roadmap for Midsize Enterprises
Benchmark your plans and make confident investment decisions.

**eBook**
3 Must-Haves in Your Midsize Enterprise Cybersecurity Incident Response Plan
Plan your midsize enterprise cybersecurity incident response.

**Research**
Three Critical Considerations to Achieve Strategic Midsize Enterprise IT
Align your midsize enterprise business and IT strategy.

**eBook**
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