

Prioritizing People

Emphasizing Workforce Planning Upfront Boosts Success Rates in IT Infrastructure Projects

As enterprises prepare to undertake large IT infrastructure projects, a significant amount of planning must occur to meet business goals, complete initiatives on time and stay within budget. However, planning for one of the most critical elements of these projects, the human capital required to achieve ROI from revamped IT infrastructures, is often neglected.

Though essential to success, workforce planning is frequently left until the last minute, forcing companies to fill essential roles with the first available resource, rather than the best professionals for the job.

Some estimates indicate that approximately one third of IT project costs are allocated to human capital. These costs increase significantly when an organization fails to plan for the workforce needs required to achieve IT infrastructure project goals. Among the additional costs are missed or delayed project deadlines; technical complications; the need to rework portions of the project; increased time to productivity; greater difficulty in managing the project and running over budget. Failure to plan for IT workforce needs upfront can also result in organization fatigue, lower team morale and attrition of good workers—since many of the costs and consequences fall on existing staffers to absorb and correct. Additionally, if organizations do not account for the structure, skills and competencies required to manage and optimize new systems and processes, poor workforce planning can result in low enterprise adoption of infrastructure project deliverables—and thereby lower ROI.

IT leaders are aware of the risks of poor IT workforce planning, as evidenced in a May survey conducted by CIO magazine. Of the 231 technology executives who responded to the survey, 60 percent reported they were highly concerned about the risks of failing to secure the right IT professionals for large IT infrastructure projects. In fact, many respondents know about these risks firsthand, as more than half reported experiencing missed or delayed project deadlines (69 percent), technical complications or the need to rework portions of a project (62 percent) and delayed time to productivity (58

percent) as a result of failing to secure the right talent. In over half of these cases, the associated financial impact of these events amounted to an increase of more than 10 percent in total project costs.

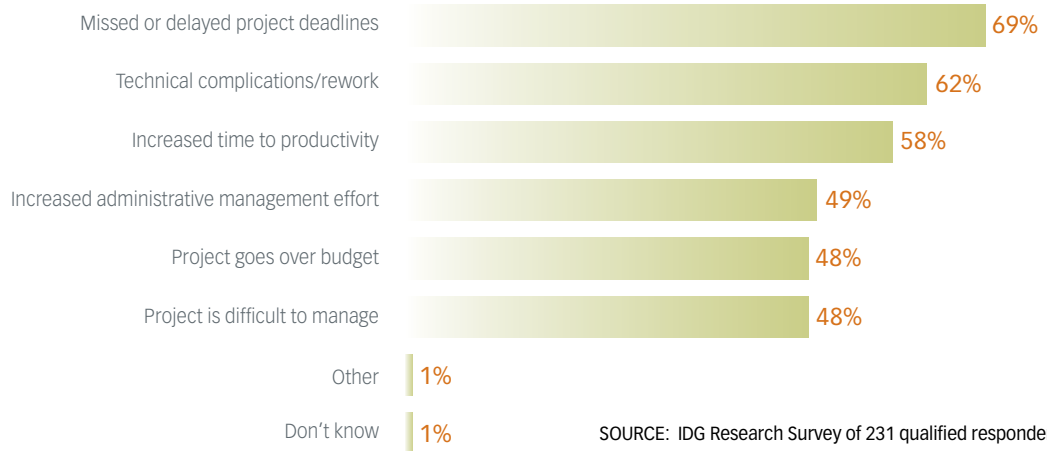
The Disconnect

Despite these known risks, respondents still rank workforce planning behind choosing the technology platform, aligning key stakeholders, securing budget and documenting the ROI plan in terms of top considerations during the planning stage of large IT infrastructure projects.

“IT leaders know that human capital needs are important and should be considered when planning a successful IT undertaking. However, IT leaders can get sidetracked by other competing priorities that are seemingly more urgent in nature,” says Mike Mulligan, Director of Network Services with technology staffing and services company TEKsystems. “They know they need to think about it. It’s just one of those areas that seems ‘softer,’ so if no one else in the business is forcing the issue, it could become an unfortunate afterthought.”

“If they don’t perform proper workforce planning early on, IT leaders are very likely to pay the price later in their infrastructure initiatives,” adds TEKsystems Director of Network Services, Tim Siebes. Siebes offers one example of a large data consolidation project. The client started planning the project years in advance. It

Consequences of Not Securing the Right Talent



chose the site for the new data center, mapped out the design and detailed the technology it wanted to purchase. Then, just three months before kickoff, the company documented the roles and responsibilities required to manage and implement the onslaught of work. “They realized they needed 40 people in three months. It literally became a fire drill. Inevitably, to meet their timeline, they had to settle for inconsistencies in quality and some personnel gaps that overburdened and burned out other team members,” Siebes recalls.

This type of dysfunction is not uncommon. While the majority of respondents in the CIO survey rate workforce planning as important, more than 75 percent of respondents reported their companies were not very effective at workforce planning for large IT infrastructure projects.

Workforce Planning Challenges

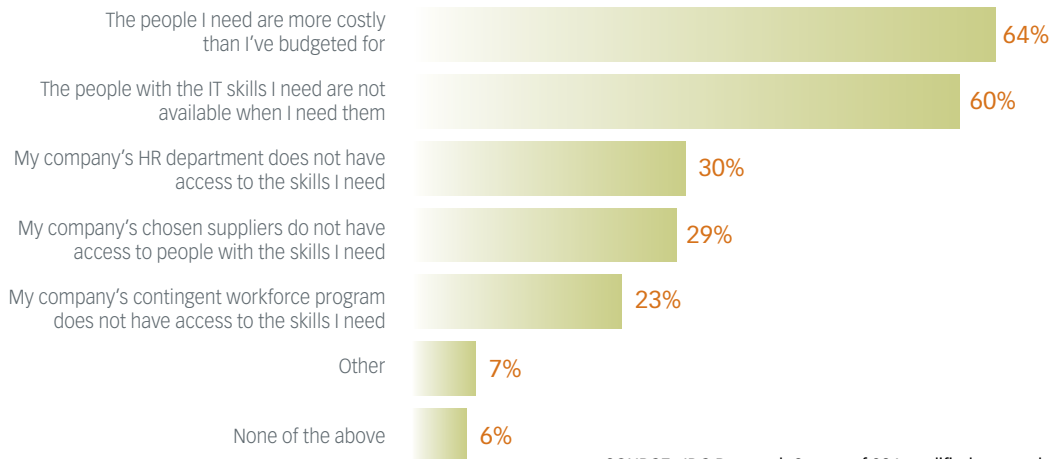
According to TEKsystems’ research, fewer than 10 percent of IT organizations have a formal workforce planning process. Since IT leaders are aware of the significant risks associated with failing to plan for the human capital required for a large IT infrastructure project, why do so many companies fail to make workforce planning a higher priority? Several factors explain this trend.

First, it’s not easy to do. To effectively plan for workforce needs, leaders must know where they are headed strategically, what initiatives they will undertake to achieve their vision, and what parts of the plan they want to own or control in house. They must also understand the current skills, competencies and succession plans within their IT organization. Only with this information can they start to think about the best workforce strategies for various bodies of work required to achieve their goals—from training, to contingent labor, to direct hires, project-based services or full outsourcing.

A second reason workforce planning is difficult is that “A-players” are finite in number and in high demand. Worldwide, 79 percent of companies report a significant gap in their talent pipeline, reports the Society for Human Resource Management (SHRM). Moreover, according to the U.S. Bureau of Labor Statistics, unemployment rates for technology professionals with highly specialized skill sets are typically much lower than the overall unemployment rate. In the last year specifically, IT supply and demand have become critically unbalanced. This is especially true with infrastructure-related skill sets like Network Architects and Network and Computer Systems Administrators.

Compounding the problem is the war for talent. As an enterprise embarks on an IT infrastructure project to

The Challenges of Staffing



SOURCE: IDG Research Survey of 231 qualified respondents

take advantage of new or popular technologies, many other companies are likely doing the same.

"It's a competitive market so it's not just your company trying to attract and retain bright people with hot skills. Everyone is pursuing them," says Siebes. "Organizations with a more strategic approach to talent acquisition are going to win the battle over those that are reactive."

Another important complexity of workforce planning involves the nuances of the local labor markets. Supply and demand of IT talent at the local levels can vary vastly from national employment figures. It's critical for organizations to understand their local labor pool, what the costs are, who else is drawing from the same pool and what these other employers offer. "Organizations compete not only on rate and job description, but also on the total employee value proposition," says Mulligan. "Many workers today also want career development, work/life balance and to be a part of a great team."

Varied skill needs over the course of a single infrastructure initiative present another challenge to workforce planning. Eighty-one percent of IT leaders understand that the skill set composition of their project teams will change as they move through project stages. However, few companies plan for these changes to effectively transition between the plan, build and run stages.

The CIO survey shows that consulting firms and system integrators (SIs) tend to be used during the upfront planning and building stages. It also shows that most companies choose a partner for the planning stage and then continue to use that partner through the project's completion. While consulting firms and SIs bring necessary strategic capabilities to the planning stage, these skills can be costly and may not be necessary once the build and run stages are in full stride.

"In addition to the cost savings potential, we've found that the more strategic companies tap into staff augmentation alternatives to address knowledge transfer requirements," says Garrett Haycock, TEKsystems VP of Network Services. "Often, the core people from a consulting firm or SI that initiate or carry a client through an infrastructure project take their knowledge with them upon assignment completion. To get the most out of their partners, we recommend organizations consider contract-to-hire models, robust training programs for existing staff and/or clearly defined knowledge transfer expectations to ensure new systems are adopted, managed and optimized post implementation."

Internal stakeholder alignment is also important to successful workforce planning efforts. Today, an increasing number of stakeholders beyond the IT

department are involved in service provider selection management, such as procurement and HR. Unfortunately, since these groups are usually responsible for more than just IT procurement and IT resources, they may lack an understanding of the unique characteristics surrounding IT initiatives and associated workforce needs. These groups may also be governed by different definitions of vendor success, such as speed, cost and compliance requirements rather than the resource or deliverable quality on which an IT project's success depends. To effectively workforce plan, IT leaders must work with their internal counterparts to define comprehensive service provider expectations and manage outcomes accordingly.

Finding the Right Partners

Given the implications of poor workforce planning and the challenges that surround it, IT organizations should consider leveraging partners to help. "While many service providers are experts in supplying technology, it's critical to also tap into one that can help you apply technology through the right people at the right place, time and cost. Your most strategic and variable component to project success is your human capital, so we recommend organizations engage workforce planning providers early in the strategic planning process. These providers should seek to understand project targets, evaluate various workforce alternatives and build a plan to mitigate any skill or competency gaps across all project phases," says Haycock.

"The best partners will seek to understand the big picture and possess a core competency in human capital management—specifically how to find, secure, develop and retain IT talent," says Siebes.

"IT leaders should look for partners that have capabilities and experience in deploying all of the required skills, as well as local market presence and insight," adds Mulligan. "Furthermore, while many may claim to have a quality screening process for identifying top-notch IT talent, we counsel our clients to force providers to prove their claims. They should look for tangible results to ensure quality. It may seem like a small detail, but ensuring you have the right people in place produces big rewards."

A Strategic Approach to IT Talent

The success of any business initiative hinges on the quality of the people driving it. In fact, people are the most important and variable component of a successful business equation. TEKsystems specializes in the application of technology, deploying the right people, the right way, to achieve business targets. Services include benchmarked IT solutions based on thousands of real-world experiences, IT staffing solutions to complement in-house skills and capabilities, and strategic guidance on how to optimize IT human capital management.

By partnering with clients to understand business targets, evaluate baseline skills and capabilities and address critical workforce gaps, TEKsystems champions the workforce planning processes required to complete IT initiatives on time, in budget and according to quality standards. With more than 100 locations globally, an unparalleled global network of IT professionals and a proven process to match talent with opportunity, TEKsystems helps clients quickly assemble high performance teams and stay ahead of emerging IT trends.

TEKsystems' Network Infrastructure division offers staffing solutions and managed IT services that support the plan, build, and run stages of critical transformation initiatives.

Conclusion

Developing a workforce plan early in the project lifecycle avoids having to sacrifice the quality of workers when project deadlines are at stake. When workforce planning is an integrated step in the overall planning process, IT leaders will ensure one of the most important success factors for an initiative—people—has been addressed.

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