

Partnering with Intent™

An innovative workforce model for the digital age



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An Innovative Workforce Model for the Digital Age

As changing customer demands hurtle towards businesses at warp speed, companies are counting on new combinations of people, process and technology to enable digital adaptation. However, a shortage of digital talent is making it difficult to achieve today's corporate goals of remaining nimble while controlling the budget. In the quest to succeed in digital, IT leaders are realizing that the talent is at least as important as the technology, which is leading them to explore innovative partnership and workforce management models.

Talent is now recognized globally as the single biggest issue standing in the way of CIOs achieving their objectives.¹

Companies need more digitally savvy technologists. Ideally, they'd bring them all back in house but the budget wouldn't support it. As a result, contingency labor is now a way of life. The challenge of finding the right skills in the right quantities makes crafting the right staff combination overwhelming. To succeed in digital adaptation,² one must adopt a new approach to finding and working with external partners.

Contingency models acquired a negative or downright threatening role in the 2000s, creating skepticism and hostility toward these so-called partners. The epidemic of offshoring, which includes stories of people forced to train their replacements, sowed the seeds of distrust between employers and employees. If one accepts the need for relying on partners and having to attract more talent to staff positions, one also must confront the obvious dilemma – How do I attract the talent I need while continuing to work with partners untrusted by my employees? To minimize this distrust, management must be explicit and honest in explaining how and why third-party partners will be used. Then, they must deploy partnered resources in a way that complements internal teams, drives collaboration, re-builds trust, supports the culture and serves the business.

This new approach helps IT organizations leverage three key components of digital workforce management:

1. Partnering with Intent
2. Adopting a flex culture
3. Transparently communicating the use and value of culturally aligned partners

This white paper explores how transparent IT leaders can re-build trust with internal staff through selective, intentional relationships with partners. In a transparent culture, resources from third-party partners offer needed talent, along with the communication and collaboration skills absent from the offshore model, to support internal staff, not threaten them. Contingency partners operating under this new approach to workforce management embrace, extend and support the IT organization's culture.

Offshoring's Unintended Consequences

There's no mystery about why jobs were sent overseas – less expensive labor beckoned, and U.S. companies jumped at the chance to improve the bottom line. However, these savings came at a cost. In addition to managing cultural, language and time zone challenges, as well as geo-political risks, companies using offshored resources started to see a major decline in collaboration and innovation.

As a result, jobs began coming back to the U.S., signaling a decline in offshoring. As the digital age dawned, it became apparent that offshoring could not support agile development, constantly shifting priorities, and short delivery timetables.

1. Loten, A. (2018). CIOs Fear 'Skills Gap' With New Digital Tools. CIO Journal, Wall Street Journal. Available at <https://blogs.wsj.com/cio/2018/03/07/cios-fear-skills-gap-with-new-digital-tools/>
2. An Introduction to Digital Adaptation. (2018). Rural Sourcing. Available from <https://www.ruralsourcing.com/digital-adaptation-white-paper/>

Partnering with Intent Supports Cultural Alignment

Today's rapid rate of change underscores the importance of IT leaders' workforce partnering decisions. For example, selecting partners that see their value as identifying and delivering technologists and specialists that understand the organization's shared mission, not just the work at hand, will pay off handsomely. Enlightened partners that realize why culture matters, especially to the millennial-heavy workforce, bring additional value to workforce management.

Partnering with Intent acknowledges the importance of working with third-party partners that select candidates for alignment with their corporate clients' cultures and values, as well as technology knowledge and soft skills. When trusted partners supply IT workers who seamlessly blend into the client's culture, everyone wins. Partnering with Intent helps assure that sourced workers' home affiliation takes a back seat to cultural integration.



A linchpin of Partnering with Intent is the composite team, a culturally aligned group of workers who share roles and responsibilities seamlessly. This degree of latitude enables IT organizations to respond quickly to changing priorities. A benefit from this approach is the positive impact on the composite team's productivity. Staff employees will likely feel more secure and less threatened by partnered resources when cultural blending takes place.



Glossary of Workforce Management Terms

Term	Definition
Destination Employer	Candidate-preferred place of employment
IT Staff	In-house technologists on the company's payroll
Contingency Labor	Source of IT talent which is provided on an as-needed basis
Sourcing Company	Provider of specialized IT talent
Soft Skills	Ability to communicate clearly and collaborate actively
Flex Culture	Transparent, collaborative IT organization designed to ebb and flow as business demands
Composite Team	Skilled talent pulled from internal staff and external partners to form a super team
Partnering with Intent	Selectively choosing sourcing partners that deliver skilled IT talent in support of a company's culture



Flex Culture – A New IT Workforce Model

The fluidity of the digital age demands hyper-fast responsiveness to customer demands and a new approach to workforce management – a framework that is as flexible as the digital environment requires and as attractive as the digital workforce desires. This new model, which is built on transparency, creates a workforce that is designed to shift gears quickly and easily. A flex culture which leverages a shared purpose, transparency, and intentional partnering, serves as the foundation for this new, change-oriented approach to IT recruiting and retention.

To demonstrate their allegiance to the new workforce model and its flex culture, IT leaders need to:

1. Divide technology skill sets as “core” or “less core,” keeping “core” talent as close to the business as possible and turning to trusted third parties for less core talent.
2. Communicate transparently and share insights into the environmental and market factors prompting strategy and priority shifts.
3. Unite IT workers regardless of their source (technology specialists on staff and specialized talent from partners) into a composite team with a shared purpose.
4. Maximize innovation by recruiting for a diverse talent pool with critically needed soft skills, such as collaboration, communication, and creativity.
5. Seek out technologists who use their knowledge of the human experience to engineer compelling user experiences.
6. Offer opportunities for team members to build relevant skills.

Today’s IT leaders realize that it is unrealistic to have on staff all the talent their organizations require. This is what makes third-party sourcing companies so important. An effective flex culture can dissolve the traditional boundaries of external source (internal staff, contingency labor, and outsourced talent), while rewarding an aptitude for change and forging a strong commitment to collaboration. Creating teams of diverse and independently talented people merges their talents releasing a remarkable amount of energy and creativity, greatly improving their performance, loyalty, and engagement, according to Peter Economy of Inc.³

Why Culture Matters So Much

Ongoing communication enables talent from all sources to see change as an empowering, opportunity generating component within their careers. “If employees don’t have confidence in the leadership team, they may question the future of the organization, wonder whether their role is safe and either become disengaged or start to look for a new job,” said Kim Littlefield, senior vice president of Keystone Partners. “Employees need to feel heard, understood, recognized and appreciated by their managers ... especially during rough patches.”⁴

Keeping IT workers updated on change shows them how valuable their flexibility has made them to the IT organization.

In addition to transparency and open communication, IT leaders need to understand how millennials’ growing influence affects workforce management. In 2015, millennials made up slightly more than half the workforce in America⁵. And although Agile may have started in software development, millennials are taking this work approach, which rewards rapid and flexible response to change, mainstream. Millennial workers grew up as digizens (digital citizens), which makes an accelerated rate of change their “normal.”

While they will welcome the rate of change that digital adaptation brings, there is a downside to millennials as well – an overall lack of loyalty. They welcome new career opportunities, both inside and outside their current environment, which makes retention an issue. However, savvy IT leaders can tap into millennials’ purpose-driven motivation to keep them on board by giving them autonomy and helping them see the value to the world of the work they do. The silver lining for IT leaders in all of this may be that millennials favor cause over money, which relegates compensation to a secondary driver in their decision to stay or go. In fact, a recent study showed millennials being willing to accept a \$7,600 pay cut to gain a better working environment.⁶

Transparency – Restoring and Rebuilding Trust

With a clear recruitment in place, IT leaders need to turn their attention to workforce management, with an emphasis on radical transparency,⁷ communication and a shared purpose. Radical transparency, a term coined by business evangelist Susan Scott, champions an open leadership style based on information sharing that she maintains is crucial to business transformation. While sourcing companies add needed flexibility to IT workforce management, neither offshoring, domestic sourcing, nor contingent labor offers a complete solution. In this fluid environment, IT leaders who



3. Economy, P. (2015). 5 Ways to Build an Extraordinary Team Culture. Inc.com. Available at <https://www.inc.com/peter-economy/5-ways-to-build-an-extraordinary-team-culture.html>.

4. Littlefield, K. (2017). Tackling Employee Disengagement -- How Leaders Can Help Employees Bounce Back After Tough Times. Available at <http://careerbright.com/workculture/tackling-employee-disengagement-leaders-can-help-employees-bounce-back-from-tough-times>.

5. Fry, R. (2018). Millennials are the largest generation in the U.S. labor force. Pewresearch.org. Available at <http://www.pewresearch.org/fact-tank/2018/04/11/millennials-largest-generation-us-labor-force/>

6. Chew, J. (2016). Why Millennials Would Take a \$7,600 Pay Cut for a New Job. Available at <http://fortune.com/2016/04/08/fidelity-millennial-study-career/>

7. Scott, S. (2011). The Case for Radical Transparency. TEDxOverlake. Available online from <https://www.youtube.com/watch?v=oVkaXUB4Efg>

explain the roles of each type of workforce partner and their value as they communicate staffing decisions will be perceived by their staffs as authentic. When plans change, effective IT leaders should communicate the reasons and market drivers behind the shifts as well. Rather than being put off by changes, most employees will appreciate the openness of IT leaders' information sharing.

Composite teams, a cultural shift from the project- and task-orientation of the past, can unite all members of the IT workforce, regardless of source. Successful composite teams, which include technology specialists on staff and specialized talent from trusted partners, dissolve the boundaries, real and imagined, that exist across these talent sources. Operating as an extension of the IT operation, composite teams share an allegiance to the organization's mission and values. In this new environment, loosely organized scrums replace traditional hierarchies and workgroups. With a composite team, it's hard to tell who is an internal staff member and who comes from a partnered resource. The previous lines of responsibility and demarcation have been blurred – deliberately.

Shifting priorities call for a balanced model which allows IT leaders to carefully orchestrate a mix of workers that can complete work efficiently and cost-effectively. Candidly sharing directional knowledge not only levels the playing field for future opportunities, these updates offer an opportunity to reinforce the organization's expectations about current roles and responsibilities.

Achieving the Status of Destination Employer

While many companies competing in the digital marketplace claim to be customer-focused, the real winners will be those that are customer-obsessed; companies that treat the success of their customer as the reason for their existence. For this to happen they in turn must be serious about empowering their own people who in turn enable their customers. The empowerment required is for the company to provide the tools, technologies, methods and environments that liberate their team's thinking, leading to the creation of game changing technology solutions.

When team members have access to advanced tools and knowledge, they stay engaged, motivated and growing – which helps IT respond to changing business priorities and market opportunities. Companies with engaged workforces are well on their way to becoming a destination employer.

As the digital workforce emerges (see accompanying chart), market leaders have mounted aggressive campaigns to become known as a candidate-preferred destination employer. This recognition can mean the difference between securing "A" level talent or "B" talent from the hyper-competitive marketplace. A destination employer has the people needed to develop technology solutions that delight the customer, while maintaining an innovation-led digital workforce.



The Evolution of the Digitally Adaptative IT Workforce			
	Past	Now	Future
Workload Horizon	Reactive	Proactive	Strategic
Staffing Orientation	Task	Project	Business initiative
Staffing Model	Internal-dominant	External support	Flex
Partnering Need	Body count	Skilled specialists	Culturally supportive
Cultural Orientation	None	Emerging	Integrated

This brings us back to culture, flex culture and becoming a destination employer. If leadership can successfully blend staff teams and partner teams together through a widely understood strategy AND they provide the tools their teams need with the environment for them to excel, they will achieve cultural superiority. It is this culture that binds the company and the staff together, enabling success in the ongoing challenge of Digital Adaptation.

Destination employers consistently recruit and retain "A" level tech candidates by:

1. Screening for soft skills as well as technical proficiency.
2. Uniting all talent, regardless of source, behind a shared purpose.
3. Transparently communicating to build and maintain trust.
4. Partnering with Intent by choosing third-party partners that contribute to their values and culture.

Keys to Building an Empowered IT Workforce

Senior executives seeking faster innovation expect IT to enable rapid business change and sustainable competitive advantage. However, delivering on ambitious, technology-driven business imperatives calls for taking a new approach to recruiting, motivating, and retaining digitally prepared talent, which remains in short supply. Augmenting internal staff with contingent and outsourced labor continues to be a must, although neither by itself offers a complete solution.

With the growing influence of millennials, new thinking about retention is needed as well. Already making up more than half of the U.S. workforce, millennials are more motivated by purpose than compensation, which calls out for a renewed emphasis on culture and favors companies with authentic leadership.

Today, composite teams respond to the velocity of change with collaboration and inclusiveness. Successful IT leaders motivate their teams by communicating transparently as they lead their organizations through shifting priorities. When employees feel valued, they can confidently meld into culturally integrated teams that move the IT organization forward.

In the digital age, IT leaders need to Partner with Intent, forging more strategic, deeper relationships with fewer,

more high-value sourcing companies. As sourcing partners better understand their customers' businesses, they can deliver technology specialists that get the work done and support the organization's values and culture. IT leaders that marry responsiveness with a flex culture have a unique opportunity to become destination employers with the potential to dominate their digitally disrupted markets.

ABOUT RURAL SOURCING

Rural Sourcing is changing the IT outsourcing experience with a cost-effective, agile approach to software development, support and maintenance of critical business and cloud applications. By providing an alternative to offshore outsourcing, Rural Sourcing eliminates the obstacles of time zones, distance, language, and geopolitical risks. With development centers strategically located throughout the United States, Rural Sourcing leverages untapped, highly skilled IT resources in smaller cities to provide world-class solutions for Fortune 1000 clients across various industries including consumer & retail goods, financial services, healthcare, hi-tech, and pharmaceutical.

To learn more, or if you have any questions about Partnering with Intent, contact us at inquiries@ruralsourcing.com or 877-887-4774. Additional information may also be found at www.ruralsourcing.com.

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