

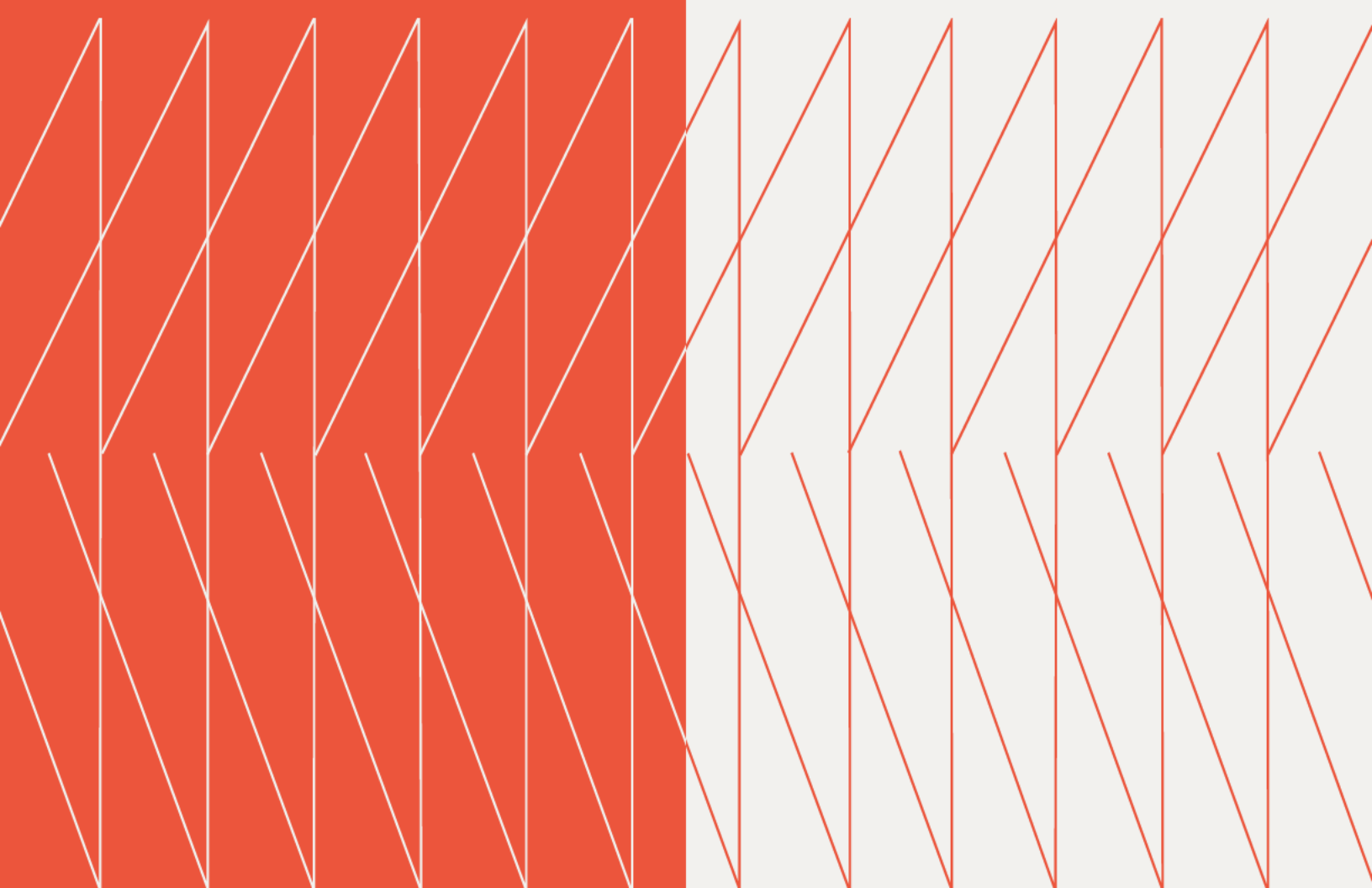
CIO

# Expert Exchange

September 13, 2022

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## Executive Summary



Host:

**Stewart Hyman**

Chief Technology Officer, Kyndryl Canada

**Overview**

In this Expert Exchange session, several CIOs convened to discuss the below topics. The agenda was determined based on mutual interest, determined through advance interviews with participants.

**Talent Challenges**

- Attraction and retention are challenges across industries, forcing CIOs to manage expectations within their organizations. In the face of labor shortages, leadership will need to become more tactical around talent, prioritizing putting their best people on their most valuable deliverables.
- Depending on outsourced resources during a talent crunch is not necessarily a solution because vendors face the same talent challenges that organizations do—in some cases, vendor personnel may be learning on the job. It can be frustrating paying full price when the vendor cannot provide the service as expected.
- If external hires are not available, internal development is the best response. This puts a renewed emphasis on training, as people in more traditional roles may need to be hired and developed for the organizational need (e.g., hard to fill roles such as project managers and cloud solution specialists).
- “If it makes anybody feel any better, this is a global phenomenon. We can’t hire anybody, anywhere. We’ve had quite a bit of success with Serbia... We’re trying to do the same thing in Monterrey, Mexico. There are pockets in the world where just through labor arbitrage or quickness of wages, people are available.”

**New Talent Strategies**

- Amidst the talent crunch, organizations are implementing new strategies for securing the necessary talent. Foreign hires have proven successful; even though the hiring process takes longer, the benefit is that the new employees are grateful to have a job when they arrive.
- Retired talent is an emerging option to address labor shortages—the new hire can be the old hire, so to speak. Many workers have retired in their fifties and still have much to offer. Their tenures may be short, but they come in with a positive attitude about the second opportunity and being sought out.
- Accelerating the hiring process is an essential strategy to get new hires in their roles. The longer the delays between the hiring manager, HR, and the candidate, the more likely the candidate goes to another opportunity. It helps to get to know

the HR people and their processes. There are technological solutions, too, such as resume matching using artificial intelligence, that leading-edge HR departments are learning to utilize.

- “Engagement of staff needs to be front and center in a manager’s objectives.... It’s about coaching people, providing career development opportunities. It’s about how is my career going to progress in this organization for the employees.”

**The Hybrid Work Environment**

- While remote work is here to stay, some organizations may have rules that prevent a fully virtual work environment. Once a worker gets a benefit like working from home, it’s hard to give up. Many workers have gotten used to no commute times, having lunch at home, and spending time with children. Leaders may need to go by the spirit of the rules instead of the letter of the law to accommodate worker expectations.
- Leaders must also navigate complex questions around remote work, taxes, and compensation. Metropolitan regions like Ottawa, Toronto, and Vancouver all have much higher cost of living than other parts of Canada, prompting organizations to consider adjustments.
- “One of the challenges that we’ve got right now is that because our jurisdiction is a specific province, our workers compensation requirements don’t protect us or allow us to have people working long term, as in more than a few days, outside of the province.”

**Digital Investments and the Budget Outlook**

- The approach to the budget cycle has changed with a different economic outlook. Organizations’ fleets used to have 20% of their vehicles replaced every year for a five-year replacement rate. IT may not get the same priority—if a device is still working, it’s now less likely to get replaced until it does not work.
- It is difficult to try to time the market, but for cost-intensive purchases like laying communications cables, purchases should be made when commodity prices are better. Now may be an opportunity to prioritize investments using data and analytics that don’t require the same commodity outlay.
- “With digital investment, or even investing further, it’s coming under a lot more scrutiny than it has in the past. The cost of borrowing is going up, which my CFO keeps complaining about. And the hurdle rates for capital are getting higher and higher... At our organization, the way CFOs prioritize capital has changed fundamentally.”

**The Expert Exchange** is hosted by Kyndryl, Inc. Please contact [Stewart Hyman](#) or [Shruti Ojha](#) with any questions about Kyndryl or this Exchange.

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