Executive Summary: "Hiring Identifying, and Developing Talent to Create a Digital Culture"

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Speakers Melissa Swift and Gus De Camargo from KornFerry

"Hiring Identifying, and Developing Talent to Create a Digital Culture" explores issues credit unions face as they seek to undergo a digital transformation.

Credit unions find a unique set of people challenges are emerging. Assembling the right team can be complicated, and can involve uncovering digital talent within the ranks of the organization or seeking out outside hires.

"Organizations are making meaningful investments and commitments to digital agendas, because they view them as critically important to the organization and future of business," says Gus De Camargo, practice leader, technology officers practice with KornFerry, a global organizational consulting firm. "But many organizations are struggling. They don't feel they have the ability to execute a digital transformation, don't feel they have the skills and abilities to reach their goals.

"The roadblock is the people dynamic," De Camargo continues. "Transformation is being stalled due to the culture that is required to drive a digital culture. There's resistance to a new way of working in the digital environment and some executives who don't believe in a digital agenda. When we look across many organizations, the people side of the journey has been the hardest part to bring together."

Keys to successful transformation

To succeed with a digital transformation, organizations need to have three pieces in place:

1. **Fluid workforce.** The organization must have an appropriate mix of the right people in jobs today, but must also have some specialists that can be shifted into other roles when necessary. The organization must also be nimble, consider non-traditional career paths, and offer real time, continuous learning and development for employees.

2. **Networked ways of operating.** People and resources need to be aligned with the organization's digital agenda and there must be a nimble and lean organizational structure. There must be a designated "space for innovation" to allow employees to be creative, whether it's a physical space or time allotted within an employee's schedule. Employees also should feel like they have the ability to make an impact and change.

3. **Inclusive leaders.** Those in leadership positions should be "lifelong learners" and strategic thinkers who are accessible to staff. They should have a robust and diverse communication style with external networks and have a strong focus on innovation.

Changing workforce

The nature of work has changed, De Camargo says. Jobs have shifted and the focus is now on driving innovation, shaping the customer journey, creating new products and services that adapt to the digital age, and enabling digital commerce.

This job construct—which emphasizes multiple areas and focuses on the customer experience, journey, and interaction through multiple channels—means the type of worker an organization needs has changed.

"The primary way that jobs have changed today in terms of a digital construct is we're looking for individuals who are the best overall athlete rather than a specialist," De Camargo says.
This change in nature of work means a new type of leader—who possess different behaviors than previous leaders—is needed, says Melissa Swift, global leader, digital solutions at KornFerry.

These leaders are curious, willing to take risks, adapt to unanticipated changes of direction or approach, a comfortable with uncertain, vague, or contradictory information that prevents a clear understanding, and are confident. They also cultivate innovation in others, manage ambiguity, have a strategic vision, create a climate that motivates people to do their best, and drive results. They prefer an entrepreneurial approach with limited organizational constraints, an unstructured environment, and are motivated by a challenge, Swift says.

When evaluating your organization's digital talent inventory, consider the characteristics of individuals when making the decision whether to build a digital team from the talent within the organization or seek talent from the outside.

There are four groups that individuals fit into:

1. **Near-term catalysts.** These are individuals who have strong experiences but a weak mindset when it comes to the digital era. They accelerate progress toward immediate goals in the digital journey, but their own career journey will depend on the tactical business needs.

2. **Tomorrow's talent today.** These individuals are strong in both experience and mindset. They are the drivers of strategic innovation going forward and are key candidates to consider for succession plans. "It's easy to know what to do with them," Swift says.

3. **Business-as-usual talent.** These individuals are weak in both experience and mindset. They are most impactful in positions that are devoted to maintaining the stability of the core business process, but their lifecycle may be limited depending on how quickly the business changes to adapt to the digital era. "They have no digital mindset and no digital experience," Swift says. "But that's OK. There's still a need for people to do the core stuff."

4. **Talent on the journey.** These individuals have a strong digital mindset, but are lacking in digital experience. They are best placed in roles where they are exposed to experiences relevant to the digital journey. "Give them the experience and they get into the 'tomorrow's talent today' box very quickly," Swift says.

"There is no percentage for who should be in what box," Swift says. "It's your business strategy and digital strategy that determines the proportions that are needed."

How to address digital people challenges

Organizations are implementing a wide range of strategies to address digital people challenges. These strategies are being employed at all levels of the organizations.

At the leadership level, structural changes are being such as creating new c-suite role like a chief data officer, changing the reporting lines so that digital employees report to a supervisor higher up in the organization that previously, and forming a digital "SWAT team" to create a team in the organization that owns the data and lessens the chances of problems arising.

There are also people development strategies taking place, such as increasing focus on high-level leadership development, reworking leadership competency models, and employing a "shock and awe" strategy, Swift says.

At mid-level leadership levels and below, changes are also taking place. Organizations are completing large-scale organizational redesigns to include job description redesign and engaging in outside hiring for key competencies when they struggle to fill certain key digital roles.

On the people development side, there is increased attention to the development of mid-level employees, more leadership development efforts lower in the organization, "externships" for high-potential talent at outside organizations, and a concern about the organization's culture, Swift says.

'Digital people lens'

Start addressing the people piece of the digital journey by using the "digital people lens," which Swift says will create a high degree of intentionality and measurable results.

The steps include:

- **Define your outcome.** What does the organization want to accomplish?
- **Identify the needed activities to achieve the outcome.** What does the organization need to do to reach that outcome?
- **Understand the people-driven structure and capabilities crucial to these activities.** What will the organization need people to do to get there and how should they be organized?
- **Delineate jobs and job families associated with digital.** What will jobs look like and how does technology integrate into the job?

- **Create a coherent framework for defining and assessing digital talent and leadership.** What kind of people does an organization need to do the work? What's the profile? How should they think and behave?
- **Supercharge digital leadership and talent through development, performance management, rewards, and engagement.** What will an organization do to make people success on the digital journey? "You've got people who want to work differently and that translates to having their performance managed differently and their rewards managed differently," De Camargo says.

"Have a level of clarity around the business outcomes and activities before you get to the people pieces," she says. "The people piece is often where the symptoms get recognized, but not the diagnosis."