Digital Talent Tools

The development of these tools was funded by a grant from IRC4HR®
https://irc4hr.org/
Digital transformation is different because of the combination of these 8 challenges.

Challenges are connected:
- Talent
- Change Capabilities
- Ambidexterity
- Efficiency & Innovation
- Front-Back
- Hierarchies & Networks
- Integration & coordination
- Leadership
- Scaling
- New demands
- Shift to digital
- Spread innovation
- Organization redesign is required

The key barrier to digital transformation is today’s organization.
Digital Talent Tools

- This challenge has to do with developing a strategy to upgrade the digital capabilities of talent.
- Companies were challenged by the need to recruit and retrain digital talent on the one hand and diffuse digital knowledge on the other.
- These tools are intended to help raise awareness of the challenge and to provide useful guides to actions you can take to shift your talent to be more digital.
<table>
<thead>
<tr>
<th>Talent</th>
<th>Shift to digital</th>
<th>How should companies attract, retain, or access the digital talent they need?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tools</td>
<td>Description</td>
<td>Use</td>
</tr>
<tr>
<td>Key Insights</td>
<td>Takeaways from the Lab</td>
<td>Learn what companies thought was important to know about this challenge</td>
</tr>
<tr>
<td>New Talent Portfolio</td>
<td>Model</td>
<td>This tool shows the new mix of internal, gig economy and technology components that will make up future talent portfolios</td>
</tr>
<tr>
<td>Talent Cycle</td>
<td>Model</td>
<td>This tool illustrates how talent shifts along with the stages of digital transformation</td>
</tr>
<tr>
<td>Digital Sophistication</td>
<td>Model</td>
<td>Use this model to help leaders understand the path from the current to future state of digital talent sophistication</td>
</tr>
<tr>
<td>Things You Can Do</td>
<td>List of actions</td>
<td>Some suggestions from the Lab about what your company can do to become more ambidextrous</td>
</tr>
</tbody>
</table>
Key Insights about Digital Talent

❖ Since the demand for digital talent (e.g. software engineering and data scientists with matching communication and soft skills) is very strong, incentives of various kinds are being offered to attract and retain scarce talent. These actions are causing a rift between digital and non-digital employees who ultimately need to collaborate to being digital solutions to market. Companies sometimes address this by keeping digital and traditional units separate. While this can promote faster ideation, it actually slows down execution of digital strategies as walls go up between digital and traditional units.

❖ Organizations are trying to flex their talent portfolios by using more “on demand” external talent on projects, substituting robots or algorithms for humans, or upskilling existing employees to make them more agile in implementing digital innovations.

❖ Another trend is to support a greater percentage of employees working remotely using virtual collaboration platforms such as Slack, Microsoft Teams or the Google Office Suite. While this trend will continue, there is a recognition that some of what makes working in an organization attractive and motivating is being lost.

❖ A challenge that is still largely “around the corner” is the rapid obsolesce of digital knowledge, even among the most technologically advanced new hires. As technologies continue to advance, organizations will find themselves with expensive talent that is no longer as cutting edge as it once was. Organizations will begin selecting for growth mindset, as well as investing in capability building solutions.

❖ Organizations need to develop talent strategies that support their business strategies. This requires having a digital strategy or at least a sense of how and where the organization plans to take advantage of digital opportunities.
The New Talent Portfolio

Full-Time Talent
Part-Time Talent
Freelance Talent - Local
Freelance Talent - Global
Robotics
Artificial Intelligence

Traditional Talent
Gig Economy Talent
Technology-Driven Talent

The Talent Portfolio

©Center for Creative Leadership
Talent Evolves with Digital Transformation Over Time

- **Early innovators**: Digital natives who are also original thinkers.
- **Clones**: As the business model is scaled, more digital talent is trained in how to operate the model.
- **Obsolete talent**: Half life of knowledge exceeded; technology has moved on.
- **Copiers**: Expand competition by copying new business models.
- **Mature**: Existing digital talent struggles to maintain relevancy in an evolved ecosystem.
- **New talent**: Disruptors; digital entrepreneurs invent new business models.
- **Builders**: Digital workers who build digital platforms for new business models.
Levels of Digital Sophistication

Beginner
Has apps on phone but rarely uses them. Still uses phone primarily to make calls.

Early Stage
Knows how to use apps on phone. Tweets regularly.

Middle Stage
Knows how to create apps and algorithms. Has experience with at least one startup. No longer trusts social media.

Late Stage
Knows why to create an app. Has experience with multiple startups. Lives in garage despite owning multiple properties.
Things You Can Do

- Be more precise about the kind of talent you will need and when you will need it given your digital strategy and business plans.
- Search for places where you can create a more agile talent portfolio by employing on-demand workers, robots, and artificial intelligence.
- Select for growth mindset and invest in learning so that the half-life of knowledge isn’t reached.
The STARLab Alliance, Inc. is a non-profit learning consortium focused on creating next generation organization design and leadership models.

The Digital Organization Design STARLab is a year-long learning experience that allows participants and subject matter experts to collectively explore and prototype practical and innovative responses to digitalization. STARLab Participants include 3-6 senior leaders from 10 companies, well-into the digital transition of their business models, who will partner with leadership and organization experts. The STARLab accelerates learning and creates organization design solutions that optimize the application of advanced technologies and human capital approaches to achieve agility and sustainable effectiveness.

**STARLab Alliance Sponsoring Partners & Leadership**

| The Center for Effective Organizations Marshall School of Business | Sue Mohrman, Senior Research Scientist smoehrman@marshall.usc.edu
| | Chris Worley, Senior Research Scientist cworley@marshall.usc.edu
| The Center for Creative Leadership | Bill Pasmore, Senior Vice President CCL and Professor Teacher’s College Columbia University pasmoreb@CCL.org
| SPRING Network – A Silicon Valley Design Firm | Stu Winby, CEO SPRING Network stu.winby@spring-network.biz

Our partner, IRC4HR®, has provided funding to help make the STARLab Alliance program and research possible. Innovation Resource Center for Human Resources (IRC4HR®) is a 501(c)(3) private research foundation that seeks to make organizations more competitive, productive, and effective through improved people management practices and to serve the mutually beneficial interests of organizations, workers, and society.

https://irc4hr.org/