

## IDC PERSPECTIVE

# Critical IT Skill Development: Using Pluralsight to Solve Three Use Cases

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## EXECUTIVE SNAPSHOT

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### FIGURE 1

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#### Executive Snapshot: Aligning Business Objectives with IT Skill Development Intentions

To unlock the value of IT investment and the potential impact of IT professionals, organizations often turn to the learning and development (L&D) function to help properly skill the IT organization. And a critical element of all strategic learning plans is the initiatives that address specific business and performance objectives. Programs must be proposed, prioritized, and funded based on their expected business contribution.

#### Key Takeaways

- Leverage reskilling/career mobility to address a misalignment of technology skills.
- Leverage upskilling to support digital transformation or a new technology project pivot.
- Leverage the attract, engage, and retain use case to empower and motivate quality employees by creating an attractive employer brand.

#### Recommended Actions

- Identify the IT goals the learning and development program can influence.
- Align learning and development initiatives to IT goals by collaborating to develop L&D initiatives that will result in meaningful contribution to IT project success.
- Secure agreement between L&D and IT on the program elements to ensure the target learners will participate in the learning initiative, and the program results are worth the investment in time and money.
- Align IT skill development providers with business and learning objectives to maximize impact and success.

Source: IDC, 2020

## SITUATION OVERVIEW

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### Strategic Priority: Strategically Aligned IT Workforce

At the heart of every organization, every strategy, every initiative, every customer interaction, and product or service innovation or business transaction is the workforce who must conceive, develop, and execute the actions to make the organization successful. The workforce, including, or maybe especially, the IT workforce, must be trained and often retrained to properly execute the strategic objectives of the enterprise. Leaders are able to measure skill progression during employee learning journeys.

The effective identification, selection, assignment, and management of the workforce will be the defining organizational capability for nearly every enterprise in the digital transformation era. And the ability of the learning and development (L&D) function (whether a formal organization or a dispersed set of actors) to leverage those same digital transformation tools, techniques, and behaviors in the execution of its responsibilities will be the linchpin to enterprise success.

While the underlying digital technology can better enable the L&D function to operate with the dexterity and speed required by the rest of the enterprise, the core mission of the L&D function has been largely unchanged for decades: provide the support and resources necessary to create a capable, engaged, and strategically aligned workforce.

### People and Skills Are Critical to Transformation Success

Gary Whitney, former vice president for Global Learning at InterContinental Hotels Group (IHG), says, "The way you win is with your people, the way they think and feel and their knowledge and skills is what will set you apart from the competition." People are the make-or-break element of a high-performing IT organization. There is simply no replacement for people with the right skills, attitudes, and traits.

This puts a premium on the capabilities for all IT professionals. IDC estimates that highly proficient teams responsible for critical IT functions are almost 20% more productive than less proficient staff. At the same time, developing new skills doesn't happen by accident, and chief information officers (CIOs) don't have the luxury of hiring a totally new roster of people with "the right stuff," so they will have to be creative in using a mix of hiring, mentoring, and training and using contractors and partners to create the needed mix of capabilities. IDC's *Cloud-Based Enterprise Application Performance Survey* of more than 1,000 IT leaders worldwide found that:

- Well-trained cloud migration teams meet nearly 90% of their business and project milestones compared with less than 50% of milestones met by cloud migration teams at only "average" skill level.
- Four-fifths, or 80%, of the organizations with sufficient skills in automation and orchestration tools report being satisfied or very satisfied with the business impact of the move to cloud. Only 20% of the organizations without sufficient skills report being satisfied with the impact of cloud.
- Nearly all (90%) of the organizations with well-trained teams are satisfied or very satisfied with their ability to monitor, forecast, and optimize server, storage, and network resources. Less than 10% of the organizations with insufficient skills report being satisfied with their ability to optimize resources dynamically.

But it's not just technical expertise that is required. IT professionals must be able to uncover the business requirements and translate business need into technical solutions. "You must equip the

technical experts with how to speak the language of the business in order to really unlock value and speed for the business needs," Whitney advises.

To unlock this value, organizations often turn to the L&D function to help properly skill the IT organization. As we have described in other research, a critical element of all strategic learning plans is the initiatives that address specific business and performance objectives. Programs [must be] proposed, prioritized, and funded based on their expected business contribution.

This requires skill requirement planning and development to help optimize the skills asset in projects, lines of business, and operational support. There are many solutions that play a vital role in skill development. IDC recently published research that highlights three main categories of tools – skills planning, skills development, and skills measurement – and covers the entire life cycle of skills within an organization and within the individuals in that organization (see *IDC Market Glance: Skill Requirement Planning and Development, 3Q20*, IDC #US46859020, September 2020).

Of course, there are many possible reasons for initiating a learning program. This research looks at three use cases and how clients implemented solutions that combine content and assessments, like Pluralsight (see [www.pluralsight.com/product/skills](http://www.pluralsight.com/product/skills)), to solve those specific problems (see Table 1).

Each program or use case may imply the targeted employees, the range of competencies to be covered, a degree of proficiency required, and a time frame to complete the initiative. In all cases, IT should expect that the L&D program solves the problem in a time frame that meets a specific business need.

**TABLE 1**

**IT Skill Development Use Cases**

Use Case	Current Situation	Business Goals and Objectives	Technology Deployed	Use Case Summary
Reskilling/career mobility	Many organizations have a misalignment of technology skills — the right skills aren't either available in the organization or affordable on the open market.	By creating a path for motivated employees to become skilled in important areas of IT, the organization can reduce its dependence on the job market and the potential for "bad hires."	Pluralsight content library, assessment with Skill IQ, virtual workshops, paths, and channels	Reskilling employees to fill critical roles and enabling acquiring skills to pursue more advanced roles
Upskilling	Rapidly changing IT environments require IT employees to constantly find new solutions and approaches to support digital transformation across the organization.	Increase IT employee skills in new technologies. Create more functionally agile IT employees.	Pluralsight content library, assessment with Skill IQ, target skill matching with Role IQ, mentoring with Q&A, virtual workshops, paths, and channels	Ongoing training a team and users to support the continued/expanded use of a technology
Attract, engage, and retain	In tight job markets, it's critical to attract and retain the best candidates for all essential positions. But good job descriptions aren't enough — organizations must be great places to work to be consistently selected as the employer of choice.	Improve quality of hire, acceptance rates, voluntary termination rates, and employee engagement scores, among others.	Pluralsight content library, assessment with Skill IQ, virtual workshops, paths, and channels	Leveraging a learning culture to attract prospective new hires and help engage and retain current employees

Source: IDC, 2020

## Use Case 1: Reskilling/Career Mobility

IDC believes that, by 2022, the financial impact of the IT skills gap will grow to \$775 billion worldwide as a result of delayed release of products/service, missed revenue, or increased cost. At an organization level, the skills gap reflects a misalignment of technology skills – the right skills aren't either available in the organization or affordable on the open market. For some organizations, the solution is facilitating reskilling successful, motivated employees from roles that are easy to fill to positions that are more difficult to recruit for. Reskilling prepares employees to fill critical roles and enable acquiring skills to pursue more advanced roles.

This approach has many benefits including increasing employee engagement and reducing voluntary turnover. According to a survey by Pluralsight, employees who don't believe they can achieve their career goals with a current employer are 12 times more likely to consider leaving. For new employees, that rate is closer to 30 times more likely.

### *Measures of Success*

For organizations that have difficulty filling important IT roles, success is obvious: By creating a path for motivated employees to become skilled, the organization reduces its dependence on the job market and the potential for "bad hires" and creates a steady pipeline to fill ongoing needs.

### *Example: The Home Depot Leverages "OrangeMethod" to Internally Source New IT Employees*

"There's this connotation that everybody who thinks about Home Depot, they immediately make that association with the apron," says George Boone, software engineer, senior manager, The Home Depot. "And that's what we want. But behind the scenes, we're a massive organization that's truly powered by technology." The Home Depot runs on supply chain systems, planning and forecasting, cash management, ecommerce websites, and other critical systems that require innovative and mission-critical technology.

**The Home Depot is the world's largest home improvement retailer.**

Anthony Gregorio, director of Technology Enablement, The Home Depot, says, "And to be able to build these things, we have to have skilled associates." To stay competitive, The Home Depot needs software engineers, security experts, UX pros, and merchandising and data scientists to build and maintain its critical infrastructure and develop new applications.

"We looked internally, and we said we have 400,000 people that wear aprons for us. There's got to be a pool of associates passionate about technology who are passionate about what we do. So let's start there," Boone says. "When we can find a store associate with years of store knowledge, that's very, very powerful for our teams."

To create a pipeline of skilled associates to fill upwards of 1,000 technology roles every year, The Home Depot rolled out an immersive skills boot camp for current nontechnical associates it calls OrangeMethod. Through OrangeMethod, each cohort participates in technology skill development in the classroom, and participants used Pluralsight to supplement their coursework and inspire innovative solutions to problems.

In addition to highly relevant content, self-paced elearning allows for review and reflection. "Since OrangeMethod was very fast paced, Pluralsight allowed me to slow down and delve deep into

everything and reaffirm what I learned in class that day," Cashier turned Software Engineer Jennifer Oberstadt says.

OrangeMethod participants can learn on their own time through Pluralsight video courses, transcripts, or hands-on experiences. Learners and leaders appreciate the breadth of skills they have access to, including both legacy and emerging technologies at levels ranging from beginning to expert.

OrangeMethod leverages Pluralsight analytics to track progress and incorporate the new technologies into upcoming curriculum and, eventually, into customer and associate experiences. With each cohort, OrangeMethod continues to transform hourly Home Depot associates into salaried technologists.

### ***Lesson Learned***

Barbara Sanders, chief architect at The Home Depot, adds, "With the rich catalog of courses that Pluralsight brings to the table and the vehicle to deliver it when our associates need it and it's convenient to their schedule, it's just such a tremendous enabler for our folks to keep up."

### **Use Case 2: Upskilling**

Technology is changing every organization, and within IT, nearly every role is changing as a result of new technologies, new capabilities, and new processes. Maintaining institutional IT knowledge of installed technologies is important, but so is finding new solutions to support digital transformation across the organization. Upskilling is the ongoing training a team and users need to support the expanded use of a technology to both apply new technologies to solutions and solve new problems.

### ***Measures of Success***

Upskilling has several benefits, chief among them is that IT employees can confidently and appropriately apply new techniques to business and technology challenges. In addition, the process of refreshing skills creates more functionally agile IT employees and can result in more creative and comprehensive solutions.

### ***Example: NYC's School Construction Authority Expands Its Use of Technology***

The New York City School Construction Authority (NYC SCA) was established by the New York State Legislature in December 1988 to build new public schools and manage the design, construction, and renovation of capital projects in New York City's more than 1,800 public school buildings.

But like every enterprise, how can the School Construction Authority continue to be more efficient and leverage more technology effectively. "The question is: How can we deliver just-in-time, convenient training to folks, laying out what we expect them to learn over the next six months or a year, let them take those courses, and then be able to validate that it occurred?" said Chief Information Officer Manny Innamorato, NYC SCA. "Our workforce is extremely knowledgeable about the business and have built significant trust with our business users. Their skills need to continue to evolve to ensure we're using the best technology possible and eliminating technical debt."

**The School Construction Authority (SCA) builds new public schools and manages capital projects in New York City's more than 1,800 public school buildings.**

In addition to individualized tech skill development via courses and assessments, NYC SCA leveraged Pluralsight's virtual workshops. A tailored curriculum combined with expert-led workshops gave teams custom, collaborative, and hands-on labs and dedicated Q&A time, enabling everyone to get up to speed on the direction they were moving in as a whole. And the ability to design specific challenges that reflect their business was key in growing skills within the context of NYC SCA projects and processes.

Ash Tadros, former director of IT, NYC SCA, said, "The workshops helped us apply our new Angular skill development within the context of our organization. Plus, it helped teams navigate the mental shift to [object-oriented programming] methodology while giving developers the chance to feed off one another as they take on new development roles."

Outside of workshops and challenges, developers continue to rely on the technology skills platform to enhance their learning at their own pace.

### ***Lesson Learned***

NYC School Construction Authority is increasing the use of Pluralsight's Skill IQ and Role IQ going forward to continue to support its efforts to enhance each individual's contributions to the organization. IT leaders are also considering ways to deliver and apply new skills like developing analytics capabilities throughout the organization, for example. "We're looking at ways to train people outside of IT up on the tools and competencies of doing better analytics with the goal of translating that into better business outcomes for the organization," says Chief Information Officer Manny Innamorato.

### **Use Case 3: Attract, Engage, and Retain**

In tight job markets, it's critical to attract and retain the best candidates for all essential positions. But good job descriptions aren't enough – organizations must be great places to work to be consistently selected as the employer of choice. An active learning culture can help attract prospective new hires and help engage and retain current employees.

Because it's so difficult to hire candidates with the right skills, it's especially important that when good candidates are found, they choose to join your company as opposed to someone else. Some organizations are using their robust training and development offerings to help convince candidates to accept job offers. Similarly, organizations use development opportunities to reskill and upskill in order to increase engagement and retain existing employees. These approaches work best when the training offerings are personalized to the employee, is focused on the employee's career aspirations, and considers the employee's current skills and capabilities.

### ***Measures of Success***

Training and development improve many measures of attraction, retention, and engagement including quality-of-hire measures, acceptance rates, voluntary termination rates, and employee engagement scores.

## Example: Paylocity's Learning Culture

Chicago area-based Paylocity, a powerful payroll and human capital management software, helps human resources departments reduce administrative burden and increase insight with analytics. For its own business, Paylocity shows job applicants the company is serious about learning, and it offers each new employee a Pluralsight account so that the employee can explore, learn, and grow.

Providing employees with the right tools to learn and the time to use them is a key recruiting tactic. "It's a huge selling tool for us to be able to talk about employee access to Pluralsight and our dedication to having them use the training to learn new skills," says Laura Durfee, former technical recruiting manager, Paylocity. Potential employees see Pluralsight a meaningful investment into their career. To employees, Pluralsight represents a massive library of training, and they understand the value of this training to their careers.

In today's competitive environment, growing companies often find it difficult to attract enough of the skilled talent they need, especially for more experienced positions. By creating pathways for less experienced new employees to grow into more experienced roles, Paylocity's learning culture enables employees to grow their career with the organization and avoid paying "top dollar" for scarce talent. The technical recruiting team reports that Pluralsight not only helps attract new employees, but it helps retain those same employees as they grow out of lower-level jobs.

### Lesson Learned

Sam Rizvi, former senior technical recruiter, Paylocity, believes demonstrating the company's commitment to growing employees' careers during the hiring process has reduced turnover. "Retention has been very good. It's been amazing."

## ADVICE FOR THE TECHNOLOGY BUYER

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To unlock this value of IT investment and the potential impact of IT professionals, organizations often turn to the L&D function to help properly skill the IT organization. A critical element of all strategic learning plans is the initiatives that address specific business and performance objectives. Programs must be proposed, prioritized, and funded based on their expected business contribution.

To maximize business benefit, identify the specific IT skill development use cases that training is intended to address:

- Leverage reskilling/career mobility to address a misalignment of technology skills.
- Leverage upskilling to support digital transformation or a new technology project pivot.
- Leverage the attract, engage, and retain use case to empower and motivate quality employees by creating an attractive employer brand.

**Paylocity provides a customizable SaaS solution for managing payroll and HR.**



It is critical to identify the specific business outcomes that training is intended to address, and that the tools deployed can effectively address those objectives. If an IT skill development initiative doesn't reflect important IT or business objectives, then it is unlikely that the initiative will have the maximum impact on the business. Four big steps to ensure alignment are:

- Identify the IT goals the learning and development program can influence.
- Align learning and development initiatives to IT goals by collaborating to develop L&D initiatives that will result in meaningful contribution to IT project success.
- Secure agreement between L&D and IT on the program elements to ensure the target learners will participate in the learning initiative, and the program results are worth the investment in time and money.
- Align IT skill development providers with business and learning objectives to maximize impact and success.

Beyond these important milestones, the devil will be in the details, and every organization – and even every program – will be constructed to meet different objectives and constraints. But with effectively aligned L&D programs, IT skill development initiatives will proceed more quickly, achieve greater results, and position the broader business for greater success.

## LEARN MORE

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### Related Research

- *IDC Market Glance: Skill Requirement Planning and Development, 3Q20* (IDC #US46859020, September 2020)
- *IDC MaturityScope: Technology Skill Development 1.0* (IDC #US46160520, April 2020)
- *The Employee Value Proposition: Managing and Measuring for the Loyalty Economy* (IDC #US46207320, April 2020)
- *COVID-19: Exploring Likelihood of Future Investments in Employee Engagement Technology* (IDC #US46253920, April 2020)
- *IDC PeerScope: Practices to Effectively Guide the Creation of a DX Learning Strategy* (IDC #US46156420, March 2020)
- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2019: Human Resources* (IDC #US44301219, October 2019)
- *IDC PlanScope: Learning and Development Alignment to Maximize Impact of Technology Investment* (IDC #US45464219, September 2019)

### Synopsis

This IDC Perspective details three IT skill development use cases and the usage of Pluralsight to solve these use cases. To unlock value, organizations often turn to the L&D function to help properly skill the IT organization. And a critical element of all strategic learning plans is the initiatives that address specific business and performance objectives. Programs must be proposed, prioritized, and funded based on their expected business contribution.

"With effectively aligned L&D programs, IT skill development initiatives will proceed more quickly, achieve greater results, and position the broader business for greater success," said Cushing Anderson, program vice president, IT Education and Skills for Digital Transformation, IDC.

## About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

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