How Can Firms Retain In-Demand Information Technology Workers? Develop Their Leadership Skills, New Study Says
HOW CAN FIRMS RETAIN IN-DEMAND INFORMATION TECHNOLOGY WORKERS? DEVELOP THEIR LEADERSHIP SKILLS, NEW STUDY SAYS

DAYTON, Ohio — With an estimated one out of every 10 information technology jobs going unfilled in this country, how can companies recruit, develop and keep these prized workers?

A new study suggests that technical staff, often relegated to a back-office support role, be elevated in organizations, be involved in decision making and be given the freedom to be entrepreneurial and creative leaders.

The study, which showcases efforts at 3M, a global manufacturing company with 70,000 employees in 60 countries, just won the Society for Information Management’s annual national paper awards competition. It will be presented Oct. 27 in Seattle at Interchange ’98, the annual conference of the Society for Information Management, and published in MIS Quarterly.

“3M is one of the few companies we looked at that’s really concentrating on its people, working to develop them in a broad sense, not just technically,” said Thomas Ferratt, associate dean and professor of management information systems at the University of Dayton who co-authored the study with Robert Roepke, manager of IT Education and Performance Services at 3M, and Ritu Agarwal, associate professor of management information systems at Florida State University.

“Insightful information technology leaders recognize that the greatest impediments to success are related to people rather than information, technology and systems,” he said. “The traditional hierarchical, command-and-control management style will not work effectively in the information age. For an organization to thrive, it must create an environment that attracts people to join and offer their best everyday.”

Headquartered in St. Paul, Minn., 3M is best known as the manufacturer of Scotch tape but is constantly introducing new products. About 30 percent of each year’s sales, now at $15 billion annually, comes from products less than four years old, according to 3M officials. The company, which employs 3,000 information technology professionals worldwide, experiences a single-digit annual turnover in these positions in contrast to an industry-wide turnover rate that’s hit double digits, according to Ferratt.

Why is 3M bucking a national trend? The researchers say it’s because the information technology area at 3M has a complete human resource strategy with some key innovations. In
particular, it has expanded its internship program and developed a comprehensive training program of more than a dozen 90-minute sessions and two longer workshops that focus on developing people skills, not technical skills. The courses are designed to get people — even interns — to take responsibility, handle change in the workplace and learn to be continually flexible. For instance, the 17 shorter sessions teach workers such leadership skills as taking initiative, working cooperatively with others, focusing on the needs of customers, adapting to change and understanding the concerns of others — even those unspoken or partly expressed. The longer workshops help people identify what they’re passionate about and prepare them to make contributions to the company. The key message: Everyone at 3M is responsible for leadership.

“Too many companies get caught up in keeping on top of the technology while ignoring the people,” Ferratt said. “In order to succeed, companies need to nurture and develop their people.”

In an earlier study sponsored by the Society for Information Management, Ferratt and Agarwal surveyed and interviewed information technology and human resource executives at 32 companies about their efforts to recruit and retain information technology workers. They visited eight companies, including 3M, to learn more about their strategies. They singled out 3M as a case study for the SIM competition; however, they are writing a book about successful practices and strategies, with detailed insights from the companies they visited.

The research is significant because the shortfall of information technology workers isn’t going to disappear overnight. “We have more demand than we have supply,” Ferratt noted, “and we don’t have enough college students majoring in MIS or related areas, such as computer science. Yet a lot of companies want to hire our majors.”

The Society for Information Management, which sponsored the national awards competition, comprises 2,700 senior executives who are corporate and divisional heads of information technology (IT) organizations and their management staff, leading academicians, consultants and other leaders who shape and influence the management and use of IT. SIM is based in Chicago.

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For media interviews, contact Tom Ferratt at (937) 229-2728; Ritu Agarwal at (850) 644-7890; or Robert Roepke at (612) 736-6734. For more information about the SIM competition, contact Bob Rouse at (314) 935-4791 or Lisa Suarez at (312) 644-6610.