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Bucking IT Restlessness

Small companies with strong leadership and varied opportunities for IT staff are offsetting the nationwide trend.

By Ben Bradley

"I came here because I wanted the opportunity to make myself a better-rounded IT person," says PrintingForLess Network Administrator Mark Currence.

Mark Currence is the first to say that his network administrator title is more window dressing than official job description. Currence, who joined Livingston, Mont.-based PrintingForLess.com (PFL) in 2003, says his job on any given day jumps from network administrator to server maintenance to end-user support to security management to troubleshooting the company's Voice over Internet Protocol system.

"End-user support was not part of my original career plan when I came here, but if you are in IT in a small business, everything becomes one of your responsibilities," says Currence.

Currence left a good job with Fidelity Investments, the financial services giant in Boston, because he was restless. He wanted to "become a more well-rounded IT professional," as well as to achieve some much-needed work-life balance.

New research shows that Currence may be on the leading edge of a new trend among IT workers. A recent study of U.S.-based IT workers by the Chicago-based employee research and consulting firm International Survey Research (ISR) found that employment insecurity, unreasonable workloads and job stress contribute to growing discontent and increasing wanderlust among the sector's top performers. And Currence's experience demonstrates the advantages small businesses have over their larger counterparts in confronting these issues. "IT workers at small companies usually enjoy their multiple responsibilities, access to top management and access to customers," notes David Foote, chairman of Foote Partners, an IT workforce research firm in New Canaan, Conn. "These people need — and want — to maintain close relationships with internal and external customers, and expect to impact the success of their company. It's an intoxicating mix of factors."

Small Is Beautiful

Small businesses have weapons to fight IT worker restlessness that are harder to muster at larger companies, human resource professionals and small business leaders agree, including offering a greater variety of responsibilities, closer proximity to top management and a greater sense of empowerment and recognition in contributing to business success. The key to IT worker retention in small business is exploiting those advantages.

Foote Partners recently completed a study of IT talent retention strategies at 165 companies, and Foote stresses that a small company's ability to retain its IT talent is dependent on different factors compared with a large enterprise. Like Currence, IT workers in small businesses typically

have wide-ranging responsibilities that expose them to a variety of technologies and business processes. And they often work collaboratively with the business owners and top executives at their companies.

"You can't get that kind of training just anywhere," says Foote. "Comparatively speaking, in a larger enterprise, you aren't going to know how your work is impacting your company's bottom line. Most IT workers in larger companies are so far down the totem pole, they don't feel that they have any impact on what the company is doing. It's no wonder they are restless."

The ISR survey on IT worker discontent, released last December, reflects a growing perception of the IT function as a cost center, not a source of innovation that delivers a competitive advantage, says Gary Berger, executive director of ISR. The continued momentum of IT outsourcing that threatens job security, combined with the current economic upturn that's creating new job opportunities, "has created a perfect storm that could lead to higher turnover among IT workers."

Yet innovative small businesses with strong management cultures are confronting these trends head-on by providing both opportunities and clear leadership to their IT employees.

Provia Software, a supply-chain management software vendor based in Grand Rapids, Mich., maintains technology leadership within its marketplace, which helps keep the company's four IT groups engaged, says President and CEO Ken Lewis. In addition to using leading-edge technology such as radio frequency identification (RFID) in its product development, Provia participates in industry consortiums like the EPCglobal, which develops and supports global standards for RFID technology, underscoring the company's role as a technology leader. But Lewis acknowledges that being a technology innovator is not enough to retain top talent. Competitive salaries plus perks such as subsidized health-club memberships, Thanksgiving turkeys and supporting home offices for telecommuting are also retention tools.

"We're very sensitive to compensation, and from a financial perspective as well, we consider ourselves leaders," he says.



Photo: Matthew Gilson

Hinda involves IT staff in "make-or-buy" decisions to fight fears of outsourcing, says CIO Harry Adams.

Harry Adams, CIO for Hinda, a Chicago-based marketing-incentives solution provider with nearly 100 employees, says the ability to quickly recognize good performance has been motivating for his IT team.

"You should expect the very best from your staff and try to manage for near-perfection," Adams says. Hinda is an incentive-based company and maintains a point system for extraordinary performance. Employees can redeem these "performance points" for merchandise from the company's warehouse, he explains.

Hinda has been in business since 1970, and has built a work culture that is focused on meeting company objectives while allowing team members the flexibility to perform necessary family

functions and maintain a quality life. Hinda's summer-hours program gives employees a half day off every other Friday, in exchange for working an extra hour per day during the week. To combat fears of outsourcing, Hinda involves its IT staff at the outset of any "make-or-buy" decisions, giving the IT team a greater sense of control and participation in the company's business.

"The issue of IT outsourcing has been around for a very long time," Adams says. "Our IT team regularly participates in make-or-buy decisions ... outsourcing is merely one of those important decisions."

Tough Choices

For Currence, who grew up in Virginia but fell in love with hiking, fishing and other outdoors activities while pursuing his master's degree in Boulder, Colo., the decision to leave Fidelity in Boston for a relative upstart, PrintingforLess, was not easy.

"I thought that this was the riskiest move I could make, since I had only been working for five years, all of it for large companies," he says. "Instead of going up the pay scale, I went down, and instead of becoming a specialist, I came here and became a jack-of-all-trades."

Currence was impressed with PrintingforLess, an INC. 500 company that recently won the 2005 Fortune Small Business' Best Bosses award. He defines his decision to move to Montana as a lifestyle choice that ended up working well professionally. And in the process of indulging his love of outdoor activities, Currence also discovered that his work had a direct impact on the company. "My input is taken into account whenever we're faced with a decision on a new technology investment," Currence says. "With the experience I've gained here, I can do anything in IT that most companies need. I came here because I wanted the opportunity to make myself a better-rounded IT person. That is definitely a motivator. The best way to keep employees is to make sure they are continually challenged."

Steady growth and on-the-job challenges keep PrintingForLess' IT staff from roaming, President Andrew Field says.

The steady growth of PrintingForLess also improves retention. "In nine years of operation, we've never had a layoff and the company's steady growth means opportunities are expanding, not shrinking," says Andrew Field, president of PrintingforLess.

Despite the growth of the business, Field concedes that most people don't come to Montana to get rich — "they come for the lifestyle." All the same, he believes keeping employees challenged is the best way to keep them from becoming restless.

Field has set a clear direction for the company and works diligently to keep the organization on task. Although workloads are tremendous, the company keeps working hours reasonable. "I'd prefer to have people work hard for 40 to 45 hours then head out skiing or fishing, rather than pace themselves for 60 hours," he says.

Field believes clear, important work is far more motivating and interesting than low-priority busywork, so he is quick to say "no" to low-value projects. "I also stay out of the way," he says. "The last thing they need when a critical server is down is me looking over their shoulders."

Winter of IT Discontent

New research by ISR finds that greater employment insecurity, perceived workloads and job-related stress contribute to growing discontent and increasing wanderlust among IT workers, relative to the U.S. workforce at large.

Specific findings include:

- IT workers perceive job stress at a much higher rate than the overall U.S. workforce: 51 percent compared with 41 percent.
- More than half of IT workers, 53 percent, say their workloads are excessive, compared with 39 percent of the U.S. workforce at large.
- One-quarter of IT workers would seriously consider leaving their company, up from 16 percent in 2004.
- 43 percent of IT workers fear losing their jobs even if they perform well. In comparison, only 32 percent of the overall U.S. workforce reports a similar lack of perceived job security.
- 57 percent of IT workers are worried about being laid off within the next year, compared with 47 percent of the U.S. workforce.
- Just 33 percent of IT workers are not worried about the consequences of a corporate reorganization.
- The percentage of IT workers who believe that their employers reward innovation has dropped over the past four years to 46 percent in 2005, compared with 64 percent in 2001.

Source: The ISR study, published last December, compares its database of survey responses from more than 17,000 people who work in IT functions within 57 different companies with its broader database of survey responses from more than 445,000 employees at 109 U.S. companies.