Managing Digital Talent
A 21st-century challenge

With an increasing level of market activity transitioning online, and organisational processes increasingly predicated upon ‘black box’ wizardry, the people who understand these things have a special place in the competitive armoury of modern business. These people increasingly require sensitive and intelligent management which recognises the singularity of their skillset.

In their new book Digital Talent Management (2021), Dr Sorin Dan from the University of Vaasa, Finland, and Dr Diana Ivana, Dr Monica Zaharie, Dr Mihaela Drăgan, and Dr Daniel Metz from Babeș-Bolyai University, Romania, and NTT DATA, have provided a powerful definition of digital talent which emphasises its uniqueness, and offer some key insights into how to manage these individuals effectively.

It is just over thirty years since the Internet gave a massive boost to the computer-driven ‘Fourth Industrial Revolution’, and already it is hard to find many human activities that have escaped this tsunami of digital innovation. From the automation of manufacturing processes, to farms ploughed by driverless tractors and steered by GPS signals, to the ubiquitous presence of social media, digital innovation permeates every aspect of modern society.

It is not only the developed world that is the beneficiary of this digital ‘miracle’, as this technology is accelerating the development of the poorest economies on the planet. In fact, it is a sobering statistic that in the least developed parts of our world, more people have access to a smart phone than to a functioning lavatory.

With no sign of the pace of this revolution abating, what about the people who are driving and enabling it – those who have the vision of what is possible and those with the skills to make it happen? Are they just another breed of visionary entrepreneur and focused engineer, or are they a new layer in our species who are able to exist in both the real and the virtual world? The challenge for individual business and social organisations in this century is to understand what makes these people tick and learn how to manage them in a way that both nurtures and retains their skills.

This is also the challenge accepted by Drs Sorin Dan, Diana Ivana, Monica Zaharie, Mihaela Drăgan, and Daniel Metz, whose conclusions are discussed in their important new book Digital Talent Management: Insights from the Information Technology and Communication Industry (Palgrave Macmillan, 2021). The authors bring to bear their diverse array of research experience which stretches across academia, as well as senior management and HR management within the IT&C industry.

DEFINING DIGITAL TALENT
Key to understanding the complex issues facing managers is finding a comprehensive definition of the term ‘digital talent’, because ‘talent’ is a nebulous concept that can typically be used to describe various groups of employees. Many companies describe their entire workforce as their talent, thereby building on the ‘people are our greatest asset’ theme. In sports, talent is used to describe ‘something special’ that individuals display in their performance; on TV, the ‘talent’ are those in front of the cameras who draw us to the programme. These incorporate both current themes in the talent literature; talent as object – the skills people have; and talent as subject – the person who has those skills.

Often, references to ‘digital talent’ include those people with the technical vision and/or the coding and software engineering skills to create the digital applications that have had such a profound effect on everyday life. But the challenge is much more than that: not only to create, but to ensure a continuous evolution and upgrade as technological innovation enables ever more powerful user experiences and advanced application functionality.

According to Dr Sorin Dan and his colleagues, digital talent cannot be restricted simply to those who design and code the programmes and apps behind our virtual world; their definition starts with the decisionmakers or entrepreneurs who see the opportunities to replace old ways with powerful digital innovations.

Add to the list the project managers who need that rare blend of technical knowledge, leadership, and people skills, together with the disciplines that keep big projects on the rails. The digital age is littered with major projects that have crashed and burned simply through lack of good project management, balancing the essential triangle of scope, cost, and time.

When the designers and software engineers have done their work, it takes another team of specialists to implement the installations, to train the users, and to deal with the bugs and glitches that are inevitable by-products of innovation and complex digital products.

All of these people are part of the talent pool without which the digital revolution could not proceed.

THE RESEARCH
With the support of NTT DATA Romania and access to both Romanian and multinational companies, the researchers interviewed a broad range of digital talent, including software developers, engineers, and consultants; they also interviewed HR and workforce management specialists, and CEOs and other senior executives.

From this, the authors were able to develop the rich picture and deep insights that are explored in depth in the book.

DIGITAL TALENT STRATEGY
What the research team concluded was that digital talent describes a ‘tribe’ of people who have a direct and significant role in the competitive performance of a company, or the efficiency with which a social organisation performs. Increasingly in today’s markets, competitive advantage is predicated upon how well and how innovatively digital solutions are deployed to create customer value.

This suggests that digital talent needs to be carefully nurtured to ensure these advantages are generated and sustained in the highly competitive markets that are the norm for most industries and sectors. The book offers a number of vital insights that justify this idea of special treatment, differentiating digital talent from other talents and professions.

In the preface of the book there is a powerful description of what digital talent looks like: ‘Their never-eating mind operates at an extraordinarily high level of abstraction. They have very specific fields of interest and prefer to use graphic and comparative representation of objects. Digital talent works daily in front of screens combining symbols such as “1, 0, (,), {,};,” according to rules that change annually or more frequently’.

Since the beginning of computing through to the present day, the less appreciative members of society have labelled such people as ‘nerds and geeks’, rather than understanding that they exist for a substantial part of their time in an alternate reality. While the rest of us might be bingeing on Netflix and social media, these people are devouring the technologies and programming languages that will produce our reality in the not too distant future; after all, both Netflix and social media are the output of digital talent.

Another differentiator of significance is that digital talent has more allegiance to its technology or specialism than to the company it works for. Given that digital talent is a supply that does not currently meet the ever-growing demand, individual digital talent may be easily tempted away if given an opportunity to use their skills in a more exciting or attractive opportunity. As the researchers put it: ‘Their favourable labour market position means that digital talent can change employers more easily than the professionals and managers who do not possess expert-level digital competencies and skills.’
Behind the Research

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Bio
Sorin Dan (PHD, BU Laureat) is postdoctoral researcher at the University of Vaasa’s Innovation and Entrepreneurship Institute, Finland. Dr Dan’s expertise includes talent management, innovation studies and administrative reform. His research has been published by Palgrave Macmillan and journals such as Public Management Review and Public Performance & Management Review.

Diana Ivana (PHD, Babés-Bolyai University) is a lecturer at Babes-Bolyai University and HR manager at NTT DATA Romania. Her work focuses on talent management, quality management, and entrepreneurship. In both her research and teaching, Dr Ivana has extensively drawn upon her experience in talent management in the IT&C industry.

Monica Zaharie (PHD, Babes-Boylai University) is associate professor at Babes-Bolyai University. Her expertise includes human resource management, talent management, and international assignments. Dr Zaharie has co-authored five books and her research has been published in international journals, such as European Management Journal, Soentometrics and the Journal of Business Ethics.

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Details

Dr Sorin Dan and his colleagues believe that there are gaps in the existing HR management literature where issues specific to the challenges of managing digital talent require a more tailored approach. They propose a human-centered approach to defining and managing digital talent, that draws on the lessons of other knowledge-intensive professions.

Their digital talent management (DTM) model takes this human-centric approach, to encompass the distinctive nature of digital talent, and applies it not only to the more obvious industry of information technology and communications (IT&C), but to other industries and sectors that are in the throes of digital transformation and are reliant for success upon their own digital talent.

The key to successful digital talent management is a clear understanding of the personal drivers of each digital talent.

Potentially disruptive projects, other than for a career path through the hierarchy. While many of us can be strung along with the promise of seniority and power tomorrow, digital talent is more likely to choose technical challenges today.

However, our digital talent ‘nerds and geeks’ are not naïve; they know their potential worth to the company and fully expect to be financially remunerated for their skill set. As the authors show, their digital talent management approach is a robust tool for nurturing and managing a valuable resource.

The conclusion of the authors is that the key to successful digital talent management is for those managers to have a clear understanding of the personal drivers of each of their digital talents assets, and to ensure that each has the resources to achieve the innovations of the applications they are working on.

Those managers also need to accept that the onus of clear communication is on them; they must ensure that the digital talent understands and accepts the objectives of the team and the organisation. In other words, management must be the enablers and facilitators of performance, creating a culture where the digital talent team members feed off each other to produce the next generation of amazing digital disruption.

Research Objectives

The new book Digital Talent Management defines digital talent, and offers vital new insights into managing this talent.

References


Personal Response

Do you feel that the allegiance of digital talent to their specialist skill rather than to their company or employer is going to contribute to broader structural changes in the corporate hiring process?“

Both our research and experience show that, in the current context, as compared to before COVID-19, digital talent tends to have a greater allegiance to their specialist skill than to their company. The pandemic context triggered new opportunities for freelancers. They have greater work autonomy and do not feel the need to commit to a certain employer. However, the number of freelancers and subcontractors within a company is still low in practice. This means that digital talent still searches for organizational commitment and work engagement, which impacts the corporate hiring process. Therefore, companies must have attractive incentives to attract, develop and retain talent and provide tailored opportunities for learning and career development. These are key values that digital talent searches for and thrives in.

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