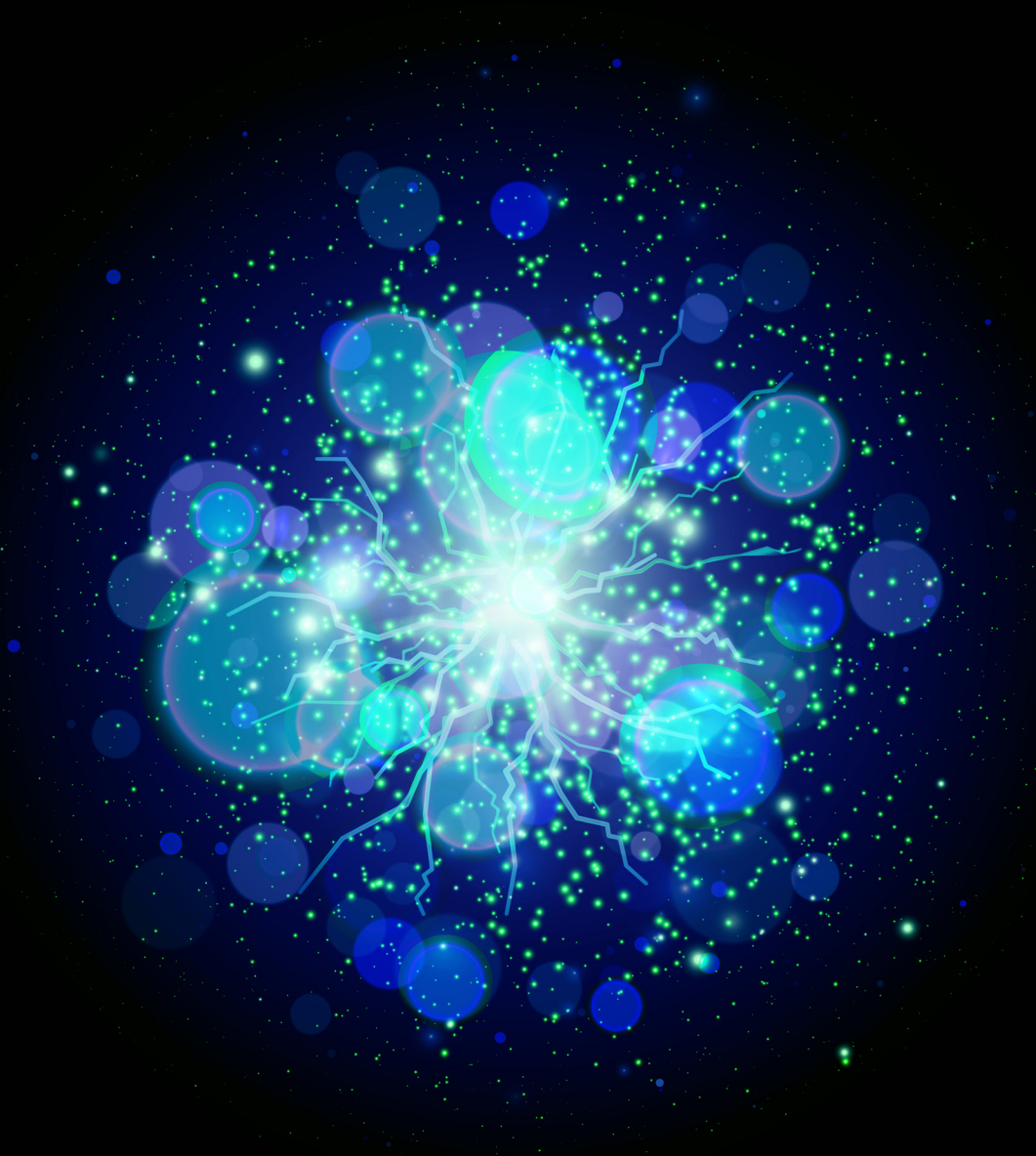


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The health care tech talent conundrum

A holistic tech and digital talent framework to help health care organizations keep pace with convergence of AI, cloud, cyber, and data

Introduction

In today's rapidly changing, increasingly competitive market, it's vital for health care organizations to have an agile, tech-fluent workforce to meet the needs of their consumers. To recruit and retain a tech-savvy workforce, it's essential to deploy modern digital technologies, coupled with a flexible, creative tech and digital talent framework.

However, as health care organizations migrate many of their IT systems to cloud, it is often difficult to attract and retain tech-fluent talent. Many health care organizations are struggling to match the skills they need to the talent they have amid the growing adoption of emerging technologies.

It's crucial to understand the various technical capabilities you're recruiting for, such as cloud, and other digital technologies like Generative Artificial Intelligence (AI), and to realize that cloud is now—for many organizations—an ascendant technology that must have a workforce built around it. A cloud-centric tech and digital talent framework—one that is aligned with the organization's tech strategy and regularly updated to account for changing technology—can help health care enterprises become successful in finding the right talent.

Responding to the rapid rise of cloud and AI in health care

Cloud, the rapid rise of Generative AI, and other related digital transformation initiatives are allowing the reimagining of health care IT operating models, and the pace of change is accelerating rapidly. And, as these technologies mature, talent models will change. So, it's essential to keep up with career-planning goals for cloud, Generative AI, and software engineering talent and develop new training plans, development pathways, and compensation models.

To help fill critical needs for tech talent, it's essential for HR practitioners to be able to speak the language of both cloud and the business, so that HR can more effectively meet business needs for talent and better understand tech talent needs to help recruit and retain talent and improve productivity.

The first step is to create a culture that values tech talent. Next, chief information officers (CIOs) and chief human resources officers (CHROs) can collaborate to define the business and IT needs for talent that enable them to meet strategic goals. They can also collaborate to build strategies and identify value levers that enable them to drive joint efforts to recruit top tech talent.

Finally, it's vital for health care organizations to have a holistic tech and digital talent framework that helps HR understand what processes and policies the organization needs to augment or change in order to achieve its goals. The framework should be predicated on the idea that tech talent is a crucial part of the organization's fabric and makes key contributions to helping meet strategic goals. It should also be built on a partnership with the C-suite that reinforces the importance of tech-fluent talent and appropriately allocates energy and funding to attract, recruit, and retain those workers.

The foundational principle of the framework is that it is flexible enough to meet talent needs as they change so HR can move from a reactive recruiting mode to a proactive mode and anticipate its talent needs.



The tech talent shortage is a growing crisis

One key barrier to many organizations' ability to leverage emerging technologies is the ongoing cloud, digital, and software engineering talent shortage and skills gap that exists at many health care organizations. It's a competitive seller's market.

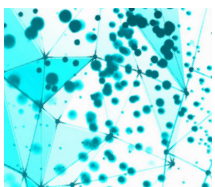
The competition isn't just from established companies either. In fact, a recent survey of 1,000 laid-off tech workers found that 63% of them started their own company after being laid off and saw their incomes grow.¹

Motivation matters, too. In one recent survey, 54% of respondents indicated they were motivated by the work they would do in a given role, while traditional motivators such as benefits, compensation, titles, and work/life balance have fallen in importance.²

This comes at a time when technology budgets are increasing at more than 10% per year, yet companies are experiencing a lower return on tech investments due to longer lead times to develop solutions, poor utilization of technology infrastructure (e.g., cloud), and shadow technology efforts. Companies are also overpaying for solutions with third parties and vendors because of a lack of internal skills.³

Tech roles are also changing. For example, roles such as cloud solutions architect, site reliability engineer, and full-stack developer are exploding, while roles such as server administrator, infrastructure engineer, and network administrator are declining.⁴

What do these statistics mean for health care companies? They indicate that value is a critical driver of success for finding and retaining talent. Organizations should strive to meet the needs of workers who are balancing other priorities and to empower them to make decisions about their work. Companies can also develop better processes to identify talent and retain them for the long term. It's a tough environment out there, and companies that fail to recruit and retain great tech and digital talent may be potentially at risk of losing their edge and ceding ground to their competitors.



As of January 2023, the **unemployment rate for tech talent** was **1.8%**, significantly below the national unemployment rate (3.6%) despite newsworthy layoffs.⁵

82% of enterprises were **prevented from pursuing digital transformation projects** due to lack of resources, **skills**, and complexity of the technologies.⁷

72% of tech employees in the United States are considering leaving their jobs in the **next year**.⁸

72% of global employers say they are **struggling to find workers** with the right mix of technical skills and human capabilities.⁶



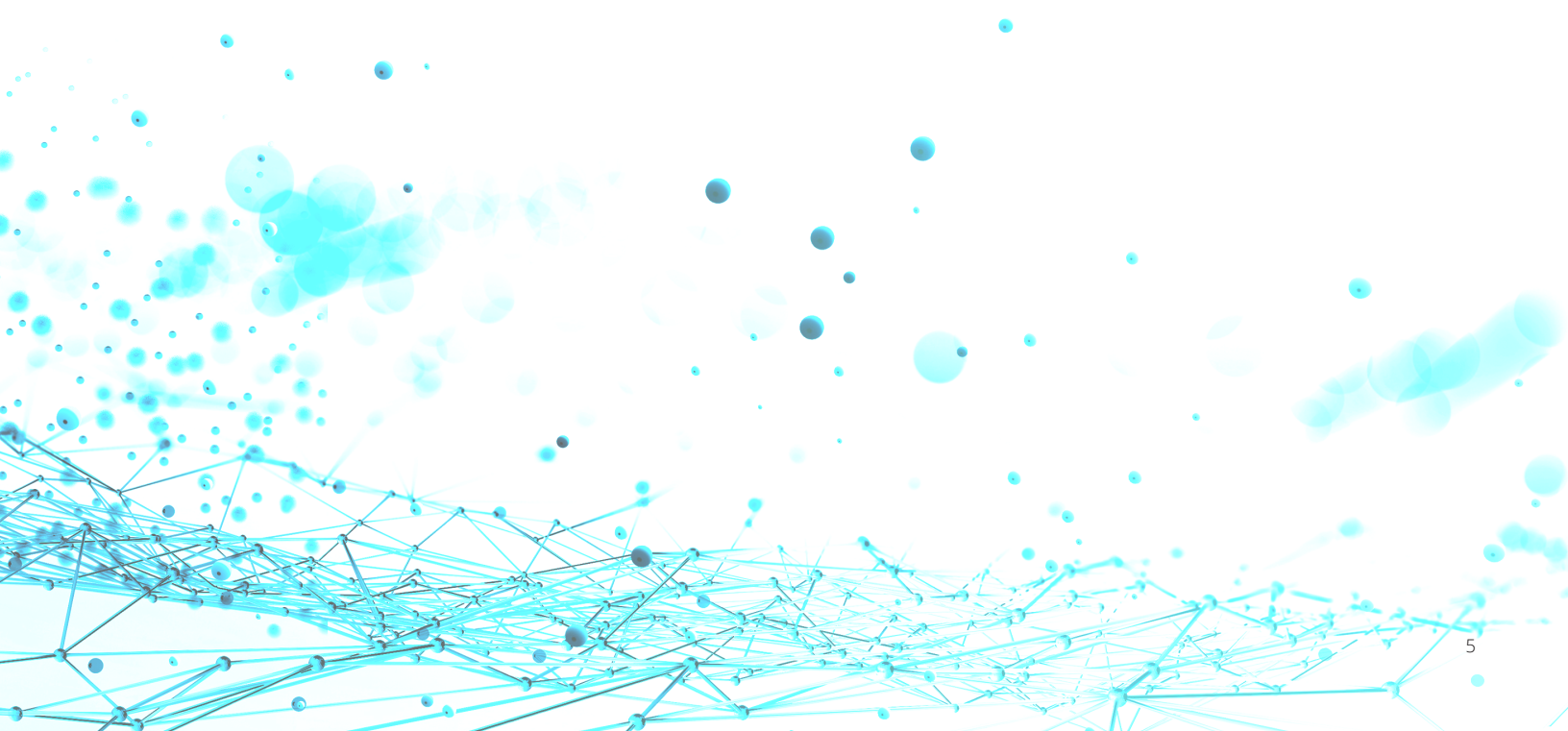
Creating a culture that values tech and digital talent

To break through the barriers to leveraging emerging technologies, health care organizations can create a culture that values tech talent as a unique and vital part of the organization's talent pool—one that can help the enterprise transform digitally to meet and match its competition.

Characteristics of a culture that values tech talent include:

- Valuing tech talent as a critical workforce segment and recognizing them as key contributors to the organization's strategic goals.
- Ensuring that top tech talent in the organization is upskilled and reskilled and can rise in their specialties throughout the organization because they are empowered to innovate and drive change.
- Making the organization a spot for highly skilled tech workers to jump to, rather than from.
- Inspiring tech talent with challenges that help them innovate, embrace new trends and tools, and acquire new skill sets aligned with the organization's strategic ambitions—and also showcase their ability to help the firm reach its goals.

Organizations that adopt these characteristics can recruit and retain top talent who are passionate about the organization's mission and who seek a long-term career, rather than "just" a job. They can provide these passionate team members with dynamic career experiences.



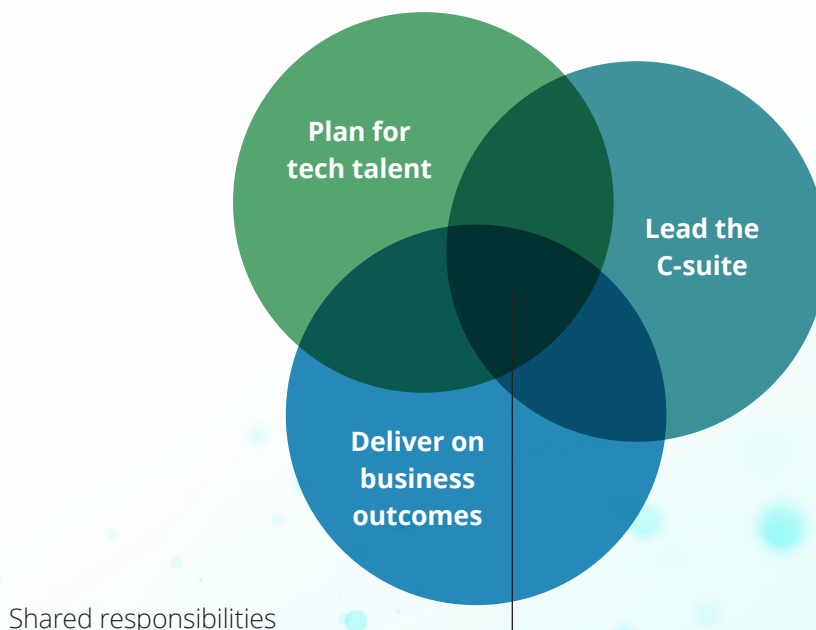
CIO and CHRO—the new power couple

Building a strong CIO/CHRO relationship is more important than ever in solving tech and digital talent challenges. CHROs know their organizations and their talent life cycles better than anyone, but CIOs can also take on a larger role in culture change.

Together, CIOs and CHROs can:

- Collaborate closely to plan and adjust for tech and digital talent market disruption.
- Lead the C-suite in developing innovative tech and digital talent management strategies that recognize evolving employee goals.
- Focus on delivering business outcomes in a new way by helping to identify which talent levers are the most impactful.
- Partner with the business in workforce planning to deliver the IT roadmap.

Evolving the CIO/CHRO relationship



Source: Deloitte

Value levers to build a talent-rich organization

There is no single approach to building the perfect tech talent strategy. However, there are critical levers that can help organizations build a talent-rich company.

Access and optimize the right talent

- Consider **creative talent-sourcing avenues** and leverage contingent tech talent for project-based and ad hoc support
- Revamp recruiting approaches and **market tech roles differently** than traditional roles
- Focus on **sourcing for the right skills** over designing new roles

Attract, build, and retain a high-performing workforce

- Create an **agile performance management model** that aligns closely to how teams operate
- Consider how individual performance affects **the larger team's performance**
- Enable tech talent with unique learning opportunities to **refine and build their skill set**

Create compelling and sustainable work experiences

- Incorporate the **latest technology across business functions** to complement tech skills
- Provide **opportunities for innovation and ideation**, and encourage tech talent to explore passion projects
- Reset cultural norms to **develop new ways of working** in line with tech talent's expectations

Source: Deloitte

Building a tech and digital talent framework

To build a tech and digital talent strategy that helps achieve strategic talent goals, organizations can build and implement a holistic, flexible tech and digital talent framework that helps identify critical areas to enhance and drive desired business outcomes.

A holistic framework for building a tech talent strategy

Explore			Define and plan	
<p>Frame</p> <p>Explore the art of the possible for best-in-class tech talent strategies</p> <p>Prioritize the business outcomes that the tech talent strategy should achieve</p>	<p>Discover</p> <p>Review current-state tech talent impact/ experience, and identify critical areas to enhance/ levers to pull</p> <p>Understand experiences across key personas/skills to further tap into tech talent and desired outcomes</p>	<p>Analyze</p> <p>Examine insights to determine how the organization compares to similar organizations</p> <p>Understand the considerations and implications of different options/levers</p>	<p>Create</p> <p>Define required capabilities and solutions to enable the future-state tech talent strategy</p> <p>Create a tech talent North Star vision and strategy directly linked to prioritized business outcomes</p>	<p>Test & roadmap</p> <p>Deepen vision, test, and refine the tech talent strategy; build a roadmap to achieve desired outcomes with a clear route to implementation</p> <p>Determine the approach to measure results and capture value throughout the roadmap</p>
<p>Continuously manage change</p>			<p>It is critical to monitor and measure change impacts, so the organization can provide necessary experiences to tech talent</p>	

Source: Deloitte

Principles for building the tech and digital talent framework

The driving principle of a cloud tech and digital talent framework is that it is flexible enough to enable HR to address issues holistically, with the unique needs of tech talent foremost. There are several components to this framework, including experienced, collaborative advisers; talent selection and placement; innovative recruiting; and compensation.

Experienced, collaborative advisers

With the plethora of HR software available, it's important for companies to have an experienced, collaborative adviser to help. Having the right adviser can provide valuable insights into the latest HR trends, standards, and leading practices. It can also help companies make better-informed decisions on cloud and digital technology and implementation. The right adviser can also help the HR function become more tech savvy both in how they deliver services to the business and how they understand, create, and define tech talent roles in order to recruit talent and put the right people in the right place to fit organizational needs.

Talent selection and placement (management)

The tech and digital talent framework can help HR organizations pinpoint new roles that are needed and identify talent—both internally and externally—that has the skill sets and business knowledge to fill them. Human Resources can then identify internal candidates for upskilling and reskilling and develop programs such as certification and “internal tech college” programs to train those workers. They can also work with their cloud providers to facilitate training. Externally, HR can identify candidates and where to source them and use appropriate methods to recruit and place them.

Innovative recruiting processes

Flexibility is key in the recruiting process, and innovative recruitment—via multiple channels—is fundamental. A sound tech and digital talent framework can help companies modernize their recruiting. A good framework, coupled with powerful software-as-a-service solutions, will help companies develop innovative recruiting strategies based on how and where their targeted talent prefers to interact.

Compensation

Compensation is a thorny issue, even when cloud or digital technologies aren't in the picture. But cloud's relative novelty on the HR scene sometimes makes it difficult to establish fair compensation for cloud talent. However, it's not just understanding the compensation ranges. Companies also need to factor in the relevance of worker experience and which skill sets are in highest demand.



The tech and digital talent framework in action

In this paper, we've described the need for a tech and digital talent framework and how companies can implement it. Now it's time to see it in action.

Case study

Providence St. Joseph Health

The goal

Providence St. Joseph Health, one of the largest nonprofit Catholic health care organizations in the United States, wanted to transform and standardize its business processes and applications and replace its legacy systems for HR, workforce management, finance, and supply chain management.

The journey

Providence identified initiatives across the organization to address key challenges in advance of an enterprise resource planning (ERP) implementation. Key examples included a chart of account redesign, future-state supply chain process flows, and compensation plan standardization. The organization also wanted to redesign its operating model and standardize processes. To facilitate the changes, it also needed to construct a future-state master data model. Finally, Providence wanted to implement a more robust change management and communication approach to align stakeholders and ensure a smooth journey.

Providence collaborated with Deloitte to implement a comprehensive Oracle Cloud ERP system to meet its future business needs. The project delivered a leading-edge cloud platform with integrated processes and technology for HR, payroll, supply chain, finance, timekeeping, and scheduling.

The impact

Providence transformed and standardized its business processes across HR, finance, and supply chain management. Change management, communications, and master data management strategy played vital roles in the process and in the successful implementation of the ERP system. The result? More timely, accurate data to provide deeper insights and real-time decision-making.

Case study

A large US integrated health system

The goal

A renowned health care organization with approximately \$7 billion in revenue and a regional-based integrated delivery network that provides health care services wanted to transition its entire digital portfolio to AWS and provide cloud skills training to selected employees. Its goals were to be more agile and responsive so staff could continue to provide world-class, accessible health care to the community and deliver cost savings to the organization. Beyond those goals, it wanted to take advantage of cloud's scalability and innovative cybersecurity capabilities.

The journey

The organization's challenges were numerous: Its IT infrastructure was on-premises, which led to difficulties in accommodating increased patient volumes. It dealt with very large data volumes, and accessibility and timely retrieval posed challenges for decision-making and patient care. Finally, its systems were beset by slow performance, which occasionally affected critical-care systems.

The company teamed up with Deloitte to transition to a cloud-based architecture and take advantage of cloud's best-in-class, agile IT capabilities. It implemented a robust governance structure and cloud-native, leading-edge security, along with a product-based, cloud-first operating and delivery model.

The impact

The initiative had a profound impact on the organization's ability to deliver better care to its members. Its application portfolio was reduced by 25%, its cloud adoption rate was 90%, and its ongoing operational savings were expected to be as high as 15%. Additionally, it optimized staffing by 12%. The organization's overall IT spend was reduced by as much as 60%, and its deployment times were reduced by as much as 90%. The result? Significantly improved cybersecurity, governance, and time to market for new services.

The bottom line: Better outcomes to thrive

Today, health care CHROs are experiencing a sea change in ways of working. Previously siloed operations to fill talent needs will no longer cut it. Instead, it's essential to have a flexible tech and digital talent framework that enables the HR organization to understand how cloud and digital technologies—such as AI and Generative AI—affect their talent needs, become proactive in meeting those needs, provide collaborative guidance in selecting the right HR technology for their business, and develop innovative recruiting methods and compensation. Those organizations that embrace new talent models will be positioned to achieve better business outcomes that move their business forward and enable them to thrive in an uncertain market.

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