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I Like My IT Budget Tight and My Developers Stupid

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Who has money to train these guys nowadays? They should be lucky they're still employed, right? Keep thinking that way—the competition applauds your choice to glue your wallet.

Yes, you do. Don't deny it. You like them stupid.

You don't have the budget, and even if you did, you prefer to have them stupid, because if they weren't stupid, if they went and got a certification or got trained up on, say, the latest SharePoint skills, they'd go get another job.

Which (as pointed out by some guy out there who's actually fighting to keep his staff smart—read, your competition—read, screw the popped economy) is the same as saying you prefer to employ people who don't know what they're doing.

“A lot of the times, when I talk to IT managers about why they don't train, one thing is the concern that if their people get certifications, they won't be able to retain them. Which is kind of interesting to me. It's like saying, 'I'm concerned that if people know what they're doing, they'll leave. And if they don't know what they're doing, they'll stay,'” said J. Wolfgang Goerlich, a network operations manager for a Midwest financial services firm who manages a team of eight IT staff and software developers.

If it's any consolation, you're not alone. Goerlich and other pro-IT training managers report being surrounded by pro-stupid-staff peers and having to arm-wrestle money out of management that's anti-training budget—particularly when it comes to recession-era spending.

To wipe out any trace of that consolation, you should know that there are people out there who are gleeful at the thought that you expect your staff to train themselves, on

their own time, on their own dime. They're the same people who want to sell you, say, pricey servers and software suites, instead of having your IT staff learn about cloud computing and save a ton of money on hardware and software. Then there are the people—the operative phrase is “your competition”—who are rolling out nicer Web portals than you have for your customers.

If you'd like to maintain the pro-stupid policy, stop reading here. If not, proceed to find out who's still training and how they manage to get their training budgets funded.

The sweaty little fists you have to pry open

Goerlich picked up responsibility for managing the IT staff three years ago and management of the development staff about a year back. He has a background in consulting, where he learned the importance of training, so one of the first things he did was implement a quarterly training goal.

He got “a lot of pushback” in the beginning, he said. His director's mindset will be familiar to the self-taught: Namely, that certifications aren't worth the paper they're printed on. “Everybody has a horror story of certified people who don't know anything,” Goerlich said.

Beyond that, Goerlich pushed up against the attitude that his IT staffers were highly paid people who should know their jobs already. Which, he said, pretty much ignores the concept that, in the world of quick-quick technology innovation, being highly skilled one day is as good as yesterday's fish the next day.

Did they really expect his staff to take their nights and weekends and learn skills on their own? Well, yes. Did they really want him to work with a staff of exhausted workers who never see their spouses and kids? Happy happy, joy joy: You're talking retention nightmare.

IT managers cite plenty more reasons not to spend money on training. Earlier in the year, CompTIA came out with a report, Employer Perceptions of IT Training and Certification. Beyond a predilection for ignoramuses, the report enumerated all the other reasons IT managers give for refraining from smartifying the staff. Topping the list: IT experience valued over IT certifications, cited by 49% of the non-trainers. Other reasons include a lack of budget from the organization, that it's unnecessary for career advancement, that the IT industry is changing and thus making training less relevant, poor ROI, and irrelevancy or lack of timeliness of material to real-world jobs.

ROI or die

One thing the CompTIA research didn't note but which many IT managers cite is that they just can't spare the warm bodies while those people are off getting training. They need them in-house, working on projects, or they need those valuable staff out generating billable hours.

“Right now, we’re just unable to train, because the guys we’ve hired are out billing,” said David Marceau, vice president of Ridgefield One, a Connecticut staffing company that specializes in IT. Ridgefield employs three full-time IT professionals and has another half-dozen IT consultants out working. “As long as they’re out billing, I’ll keep them out. If we ever get them back, I’ll try to line up work as soon as possible,” he said.

If there’s lag time when they’re down, Marceau will pay for training: iPhone and Android skills would be nice to have around, he said, or any type of handheld device development. “It will make them more marketable. But as long as somebody’s billable and I foresee their skills will remain viable, there’s no need to pay for training,” Marceau said.

His clients aren’t training, either. There’s just no time. This is a typical scenario for Ridgefield: A client has a shop with, say, 50 application developers. It just won a \$5 million contract, and the project needs to be completed in six months. “Are you going to send somebody out to a 30-day training course, or spend three days with an agency finding a guy with experience to bring him on?” Marceau asked. “Even if you have the budget, do you have the time?”

“Our best clients will come to us on a Thursday afternoon, at 5:30, and say, ‘I need someone to start on Monday morning.’ They don’t want to spend time to train somebody. Could they? Sure, they probably have the money.

“For us right now, we’re not doing any training, and neither are our clients. We just don’t have a budget for something like that. We’re looking mostly for people who already have good skills. The first technical person I hired last summer was somebody with very little experience, but I saw raw talent. I hired him to basically learn on the job. I haven’t provided training, but he’s dramatically increased his skill set since being hired, just by working.”

Fair enough. How do you prove that it’s worth it to take a body offline for X amount of hours out of the week? Ask Goerlich, the Midwestern financial services IT manager, and he’ll tell you you’re basically shooting yourself in the foot, long-term, in terms of staff retention, but yes, you have to prove the value of training.

“Your first job, you have to show the value of certifications,” Goerlich said. “If you don’t do a project or create deliverables with it, well, what’s the point? If I become a certified electrician, that has nothing to do with IT work.”

His number one means of getting training dollars was to demonstrate that projects were picking up speed, Goerlich said. “You have to show a productivity boost after training” to fight the perception that IT staff should already know what they’re doing, he said.

Goerlich was promoted to management and started to roll out his IT training regime right when the economy was collapsing in 2008. He wasn’t going to get the money for expensive training or conferences, but he had enough budget to buy some books and an allowance for a few certifications.

Despite that limited training budget, he still managed to show productivity gains. By the time the economy picked up and his financial services firm was feeling a little healthier, the IT staff “had the wind at [their] backs,” he said.

The subject matter of the training was SharePoint 2007 as his staff moved everyone and everything, including marketing materials, documentation, and the collaboration site onto a SharePoint platform.

As early as Year 1 of the new training regime, the organization saw consolidation of all its marketing materials, which formerly had been spread out all over the place. The SharePoint migration not only helped the organization’s speed to roll out marketing materials, it also centralized tools and applications, as well as consolidating a proliferation of sites into one location.

Ever since, every initiative pitched includes a training component. When Goerlich writes the business case, he sits down with business users and calculates ROI, which always includes training along with implementation on the cost side.

Besides fighting to get training buy-in from the financial side of the house, though, Goerlich also had to fight to convince the IT staff themselves that his training regime would pay off. In the beginning, one of the developers, whom he started to manage just a year ago, griped about the training. Not too long after he started training for SharePoint 2010, however, that developer told others on the team that “Goerlich will push you, and he will push you very hard, and you will have the hardest days you’ve ever had, and you won’t feel like it’s worth it,” Goerlich recalled, but “after you go through it quarter after quarter, year after year, you’ll know it’s worth it.

“I was blown away,” Goerlich said. “I didn’t solicit that. But here this guy was, telling people to get on board.”

And then there’s fuzzy, futuristic ROI

Increased productivity one year after investing in training is a godsend, ROI-wise. But then you’ve got things like cloud computing: Maybe it will be big. Maybe five years down the road. Maybe that will prove the Microsoft on-site trainers didn’t constitute an utter waste of money.

That’s what Saeer Butt’s hoping, at any rate. He’s Senior Software Architect and Head of Operations at Zaphyr Technologies, which specializes in IT support for law enforcement and CPAs in New Jersey.

Zaphyr’s clients are pretty much all looking to cut their budgets, Butt said. So Zaphyr, smelling the sweet lure of profits, is increasing its training budget so as to help those clients save money. But it’s doing so selectively. The IT services firm is increasing its budget to focus on cloud computing: to manage servers and infrastructure in the cloud. Similarly, Zaphyr developers are working on developing applications for the cloud.

Zaphyr is predicting that over the next three to five years, we'll start seeing a groundswell of companies moving everything out of the office, into the cloud. Right now, Zaphyr's helping clients move e-mail and backups to the cloud, and it's also helping a couple of clients test the new cloud desktop environment, VDI (virtual desktop infrastructure).

The IT services firm is banking on the idea that businesses will trade reduced desktop support costs, as well as hardware and software costs, for the small licensing fee they'll pay to use somebody else's infrastructure—hopefully Zaphyr's, since it's rolling out its own cloud environment soon. With the tech goliaths behind it—Amazon with its EC2 (Elastic Compute Cloud), along with Google's cloud and Microsoft's cloud—the gamble might well pay off, in spite of the well-known drawbacks that have kept cloud in the wannabe pen for years: potential security risks of a poorly managed network, loss of user autonomy and privacy, the challenges of setting up and maintaining peripheral drivers, the difficulty in running complex applications, high cost of VDI maintenance and management, etc.

But what really matters, training-wise, is that cloud is a big enough draw to spend on. Zaphyr's holding weekly on-site classes with Microsoft trainers now.

In fact, Zaphyr's increased its training budget since the recession. Targeted training only, though. They won't pay for training on Microsoft SQL Server or the new version of Exchange Server. "We expect employees to upgrade [those skills] on their own time," Butt said. "But for cloud, we allocate time on the clock for these trainings. We're literally spending 2-3 hours per employee per week on the training on the newer platform."

ROI? Eh. They're going on faith. When you're trying to differentiate from the competition, you just have to bite the bullet and spend the training bucks, Butt said. "We could measure our ROI, if we could implement it in the next year, but we can't do that," he said. "We're looking at a return in the next five years on all the training we're investing in right now.

"Most companies are not investing," Butt said. "We're investing because we know the only way to get out of this recession is to help customers reduce their costs. The only way we can do that is to understand, to train ourselves on how to reduce their costs."

Because companies aren't investing in training now, Butt said, they don't understand what options new technology holds. "Investing in training right now is a big thing," he said. "If you stick to training people on the same technologies, or worse, if you stop investing in training your people, you'll eventually just die. Your IT business will just die."

Retain the brains

Here's the thing about training: If you don't give staff time to recharge their batteries, they burn out. It's one reason why Goerlich requires his staff to put aside 20% of their time for skills development. He hit on that number back when he ran a consultancy. In those days, he'd have a certain type of consultant out billing "rock-solid" hours, flat-out, wall-to-wall.

They tended to be the young ones.

They'd last six months.

Goerlich noticed that his consultants who weren't maxing out on hours were hitting the mark at about 60% billable hours. Those people spent about 20% of their time recharging. "Those are people that, year after year, they didn't have high peaks, but they maintained billables in the high level—say, the top 10%—while the others were going gangbusters for six months and burning out."

Goerlich wants his current team to match that: Put the majority of yourself into your projects, then put at least 20% aside to get training and to just plain catch your breath.

"There's a lot of work to get done," Goerlich said. "It's almost like a Chinese finger puzzle: You pull too hard, and you can't get out. You put in too many hours, you get diminishing returns."

He hasn't lost a key member in a tenure of five years. He credits the training regime as one of the reasons the financial services firm has a high level of IT staff retention. "I tend to have a very motivated team," he said. "It astonishes me how much they put into the environment, into their jobs. But then, it's very stressful to try to do work when you don't know what you're doing. If you don't have the confidence that you know what you're doing, you can't be creative."

You're probably training more than you think, anyway

Obviously, there are a lot of short-term reasons not to train, and they may seem pretty convincing: You don't have the budget, you don't have the time, you want to keep your people out billing hours. Then again, long-term, there are a lot of good reasons to train: retention, smarter staff, competitive advantage.

But even if you don't think you're training, are you really not training? Marceau got in touch a week after the initial interview. The Friday before, he sat down with his bookkeeper, Susan. Susan had just put together Ridgefield's first companywide budget plan, based on what the firm spent last year, plus some projections for this year.

Oh. Look at that. Actually, as Susan pointed out, Marceau and his partner attended a management training session last year, and Marceau attended a week-long event in Florida. Marceau noted that they were planning to go to another management session in April, and he'd really like to send one of his recruiters back to that event in Florida. He told her that if she wanted to attend some kind of Finance training, to let him know, and that that their Marketing Director may want to get some training, too.

"It was then that it occurred to me that we do indeed provide quite a bit of paid training to our employees (for a young company) and that we do indeed have a training budget," he said. "I had just never thought about it as being part of an agenda, since it had all fallen together somewhat organically."

Will IT training become part of that organic new-company growth?

Maybe. If it's billable.

And if his IT people burn out? Well, there's always the midwest, or wherever you can find people like Groelich, with the interesting concept of spending 20% of IT staff time on making staff a large percentage less stupid.