

Quick Answer: How Can CIOs and IT Leaders Attract and Retain IT Talent in 2021?

Peer & Practitioner Research Published 28 September 2021 - ID G00757691 - 5 min read

By Analyst(s): CIO Research Team

Initiatives: [CIO Leadership, Culture and People](#)

The IT labor market has tightened during 2021, placing high demand on digital talent. To create effective talent plans, IT leaders need to understand what IT employees value. This research addresses strategic approaches IT executives can take to attract and retain talent.

Quick Answer

How can CIOs and IT leaders attract and retain IT talent in 2021?

- Strengthen the employment characteristics that are important to both attract and retain talent: compensation, work-life balance and respect.
- Improve location, stability and future career opportunities specifically to attract new talent.
- Enhance manager quality and perceptions of people management specifically to retain talent.

More Detail

Identify Employment Characteristics Most Important to IT Talent

IT employees' job optimism has been on an upward trend since the beginning of 2021, along with their expectations of compensation increases for switching jobs. Despite these favorable views of the job market, fewer IT employees are actively seeking jobs compared to 4Q20. The combination of increasing expectations and a decreasing proportion of active job seekers increases competition for IT talent, making it more expensive and time-consuming to hire new IT employees. In this competitive talent market, it is also important to protect key talent from being drawn to opportunities elsewhere. CIOs and IT leaders need to ensure their talent plans are competitive by identifying what employees value, both in their current job and in new opportunities.

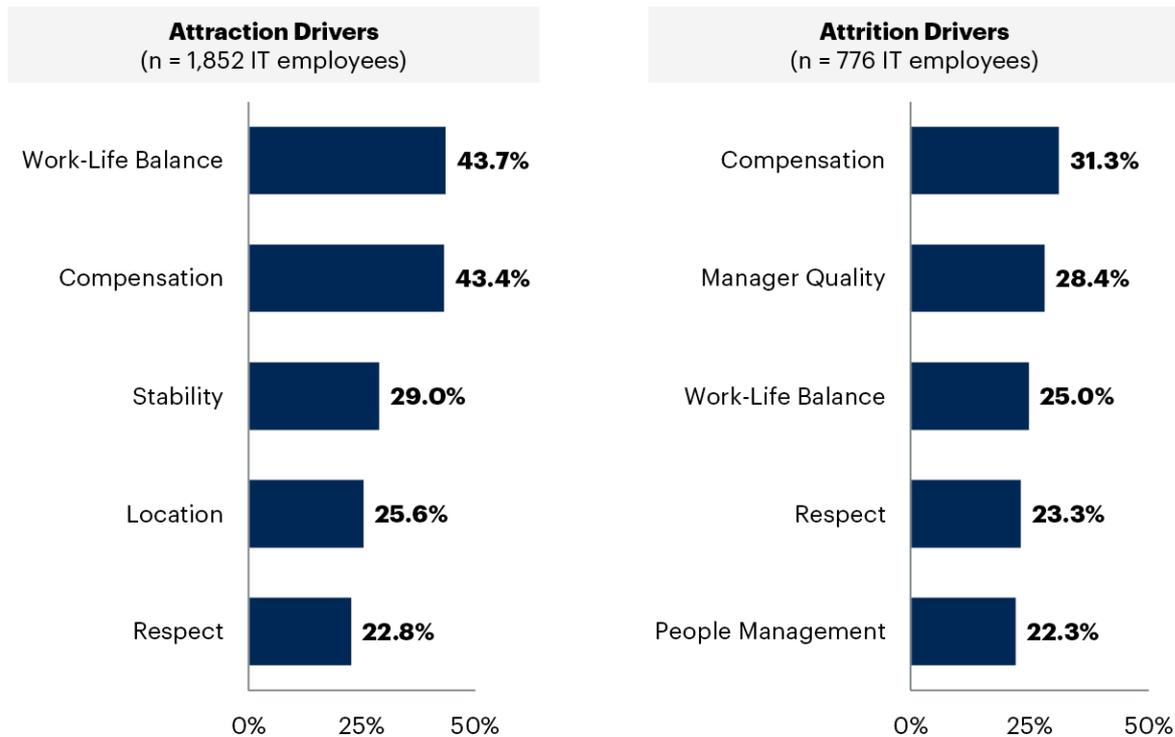
Every quarter, Gartner administers the Global Labor Market Survey to understand employment characteristics that are most important to employees. These characteristics can be divided into two categories:

1. **Attraction Drivers:** The characteristics that employees cite as most important when accepting a job
2. **Attrition Drivers:** The characteristics that employees cite as most important to them when leaving their previous job

In 2Q21, the top five attraction drivers for IT employees were work-life balance, compensation, stability, location and respect; the top five attrition drivers for IT employees were compensation, manager quality, work-life balance, respect and people management (see Figure 1).

Figure 1. Top Five Attraction Drivers and Top Five Attrition Drivers for IT Employees

Top Five Attraction Drivers and Top Five Attrition Drivers for IT Employees
 Percentage of Employees Selecting the Following as a Top Five Attraction/
 Attrition Driver

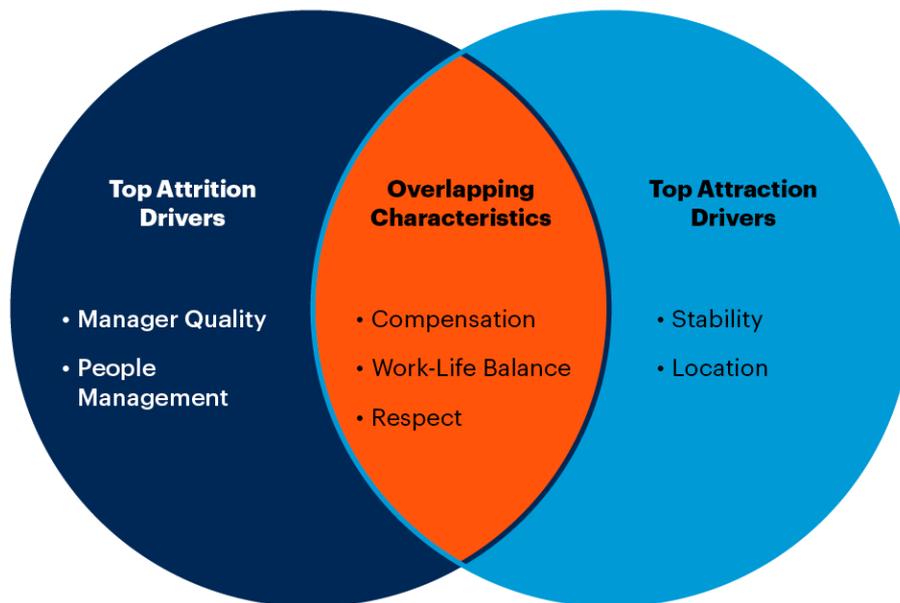


Source: Gartner 2Q21 Global Labor Market Survey
 757691_C

To maximize the impact of employee hiring and retention efforts, CIOs and IT leaders should first focus on improving employment characteristics that are both top attraction and attrition drivers: work-life balance, compensation, and respect (see Figure 2). If these overlapping characteristics are already strong, CIOs and IT leaders can shift their focus to characteristics specific to attracting or retaining talent based on their current priorities.

Figure 2. Prioritize Employment Attributes IT Employees Value as Both Attrition and Attraction Drivers

Prioritize Employment Attributes IT Employees Value as Both Attrition and Attraction Drivers



Source: Gartner 2Q21 Global Labor Market Survey
757691_C



Strengthen Compensation, Work-Life Balance, and Respect to Attract and Retain Talent

Compensation is consistently ranked in the top attraction and attrition drivers by IT employees. CIOs and IT leaders can perform a market comparison of their current compensation packages and consider improving them, if necessary. If that is not possible from a budgetary standpoint, CIOs and IT leaders should enhance other employment characteristics to attract and retain talent.

Work-life balance has become increasingly important to IT employees, which aligns with employees becoming more accustomed to hybrid and remote working options. Organizations can provide noncompensation benefits that enhance work-life balance (e.g., competitive time off, parenting and commuter benefits, and flexible working hours) to improve current employee well-being. Employees now value radical flexibility in where, when and how much they work as part of their employment value proposition, and embracing this will improve employees' work experience. Emphasizing these benefits and flexibility in work arrangements in job postings and interviews will improve candidates' perceptions.

IT employees also value the degree of respect their organization shows them. To ensure IT employees feel respected, leadership should emphasize the integral role IT employees play in supporting the organization's digitalization and work-from-home capabilities. Organizations should also emphasize the value they place on the contribution of IT employees and the IT organization in job postings and interviews.

Strengthen Location, Stability and Future Career Opportunities to Attract New Talent

IT employees increasingly value remote work flexibility, in addition to the physical location of the job, which is related to the preferences for radical flexibility. Seventy-five percent of hybrid or remote knowledge workers across functions say their expectations for working flexibly have increased. They also say that if an organization were to return to on-site work full-time, the organization would risk losing up to 39% of its workforce. ¹ With this in mind, CIOs and IT leaders should explore remote or hybrid work as a long-term or permanent option and make location flexibility explicit in job postings. To the extent possible, it will be important to take location preferences into consideration when hiring new talent.

Stability of both the organization and the job is a top attraction driver for IT employees. A feeling of stability enhances the employee experience by providing psychological safety, and this can be fostered by being transparent about change management and communicating a message of resilience during economic downturns.

Fifty-five percent of active IT job seekers surveyed are 18 to 39 year olds, ² and this age group replaces location with future career opportunities in their top five attraction drivers. To attract younger IT talent to the talent pipeline, CIOs and IT leaders should clearly communicate career advancement opportunities in job postings and interviews.

Improve Manager Quality and People Management to Retain Talent

Manager quality and people management (the organization's reputation for managing people) are top attrition drivers for IT employees. To improve retention of existing IT employees, CIOs and IT leaders can provide development opportunities for managers to grow their management skills and flex their management styles, with a new focus on managing people in the hybrid environment. Organizations can also implement 360 assessments or other tools to give employees an opportunity to voice their concerns and take necessary steps to remediate such concerns.

Recommended by the Authors

[How to Harness Voice of the Employee Insights for Continuous Employee Experience Improvements](#)

[Ignition Guide to Creating and Communicating an Employment Value Proposition for Talent in IT](#)

[Attract and Recruit Top Talent With a Compelling Employment Value Proposition](#)

[Revamp Diversity, Equity and Inclusion Strategy in IT With Creative Talent Acquisition](#)

[The New Employment Deal](#)

[Reignite Employee Engagement in the Remote Hybrid Organization](#)

[Renew Retention Strategies to Retain Technology Talent for Digital Business Success](#)

[Changing IT Compensation Practices for a Remote/Hybrid Workforce](#)

[CIOs Can Reduce IT Talent Flight Risks by Offering Employees Work Flexibility](#)

Evidence

¹ 2021 Gartner Hybrid Work Employee Survey

² This proportion reflects the demographic breakdown of the Gartner 2Q21 Global Labor Market Survey. Although it is a good approximation, it may not match exactly to the broader population of IT job seekers.

© 2021 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. and its affiliates. This publication may not be reproduced or distributed in any form without Gartner's prior written permission. It consists of the opinions of Gartner's research organization, which should not be construed as statements of fact. While the information contained in this publication has been obtained from sources believed to be reliable, Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information. Although Gartner research may address legal and financial issues, Gartner does not provide legal or investment advice and its research should not be construed or used as such. Your access and use of this publication are governed by [Gartner's Usage Policy](#). Gartner prides itself on its reputation for independence and objectivity. Its research is produced independently by its research organization without input or influence from any third party. For further information, see "[Guiding Principles on Independence and Objectivity](#)."