CIONET

HUMAN-CENTRED DIGITALISATION

Business

This article is based on conversations that took place during a Telenet Business Leadership Circle roundtable event by CIONET at Telenet HQ in Mechelen on 2 May 2023, when the topic was human-centred digitalisation. This event was organised and moderated by CIONET and Hendrik Deckers at the initiative of Telenet Business.

John Porter introduced the topic. As CEO of Telenet, he leads a company that is undergoing constant transformation. "We are judged by our technology," he said, "but of course that technology doesn't run itself. There's always a human factor." The biggest challenge Telenet faces today is not so much a technological one, but one around commercial transformation.

The market for internet, digital TV and telephony is mature. There is much more competition than there used to be. Telenet grew rapidly as broadband evolved from a luxury product to an everyday commodity. But the USP of the past – the quality of the network – is no longer enough. That's why Telenet invests in B2B services, content production and the energy sector, among other things. "We want to focus on technology on a human scale, supported by an excellent customer journey. This way we can continue to grow."

Human-Centred Digitalisation

Digital transformation is essential for any company today. At the same time, that term can be misleading. The transformation doesn't stop with the digital element; the human element is also critical. This creates an additional challenge, because people generally don't like change. For a digital transformation to succeed, a change in culture is also necessary, supported by a revamped HR policy, with the right sourcing, training and so on.

First off, the challenge of talent acquisition was discussed. This is particularly pertinent for companies that are growing rapidly, especially when people who provide services are at the heart of what a company does. Companies aim to attract and retain talent by providing irresistible opportunities: meaningful jobs, a modern structure, a beautiful working environment, opportunities for advancement and strong leadership support.

However, in the current climate it's becoming increasingly difficult to attract the best candidates, as they are aware of the leverage they can exercise. They have their pick of the jobs, so to speak, which has led to a remarkably high offer-decline ratio. This indicates that it is more important than ever for companies to have a strong employee value proposition.

Inge Diels
Managing Partner Talent
Deloitte Belgium

Talent wants a clear view of impact

In recent years, Deloitte Belgium has doubled in size, growing to an impressive 6,000 staff. That makes it the largest professional services provider in the country. "Our services are entirely based on the expertise of our employees," says Inge Diels, Managing Partner Talent. "That's why talent acquisition is key." Deloitte Belgium recruits 1,600 new staff members every year, half of whom are new graduates. There are already too few candidates available on the Belgian labour market, and up to 30% of new hires don't have a Belgian passport.

"We profile ourselves as an employer that is simply irresistible, offering meaningful work, great support, a beautiful work environment and many opportunities to learn and grow." For Deloitte Belgium, it's essential that the company offers its employees a job with purpose. "We see – especially among the younger generation – that the 'humanization' of work is becoming more important. They want meaningful work, and they want clarity on which companies and sectors they're working for."

"Managers must also participate in this dialogue. We must communicate clearly about the impact we want to have as a company. Every question from a customer, every project proposal, ultimately have an impact. That much is obvious to us." Every member of the team must have insight into their contribution to the company, to the customer's company and to society in general. "That's why leadership development remains our main priority. We continue to invest heavily in training the leadership of the future."

The reason we work

More than ever, 'purpose' is the key word here. People are looking for a meaningful, valuable job. Millennials have a very clear picture of the type of job they want, the type of company they want to work for and in which sector they want to work. That puts extra pressure on managers. They must be able to explain how a specific job – or their company in general – has a positive impact on society, in as tangible a way as possible. This is a difficult message to convey, but an important one, as harnessing the worker's influence is crucial. It's all about bringing the 'why' – the reason you do something as a company – as close as possible to the people.

This once again shows why leadership development should be a top priority for every company. After all, in the IT sector employees with a technological profile often grow into the role of manager, which only increases the need for a broad range of leadership skills. Storytelling – especially to broadcast the 'why' of a team, a department or a company through an inspiring story – is one of those skills.

New field of tension

Precisely because the market is changing so rapidly, recruiting companies must also reorient themselves. As an employer you want to offer your staff a great career, but at the same time you want to remain profitable. This creates an extra field of tension.

A possible solution to this issue is to take a broader approach to recruitment, in particular by focusing on inclusion, for example by hiring neurodiverse candidates. Another solution is to look at the possibilities of nearshore and offshore. But that demands additional skills, including being able to manage teams from a distance and take into account possible cultural differences.

The same applies to companies that work with teams that are mostly made up of external consultants – sometimes up to 70% or more. A firm connection must be established with each of these individuals, and this can only be achieved by communicating consistently, authoritatively and positively, and by professionalising recruitment and selection. By investing in your own full-time recruiter and communicator within the IT department, you can significantly reduce churn. It may be that an organisation needs to be of a certain size to make this possible, but the return can be enormous.

Ann Caluwaerts
Chief Corporate Development
Telenet

Introducing systems thinking for business and IT

Telenet has implemented a radical transformation. The relatively classic business structure – with an IT department that supports the other business units – has made way for a completely new operating model based on five elements: people, organisation, partnerships (sourcing), priority calls and IT architecture.

"We no longer have a traditional IT department," says Ann Caluwaerts, Chief of Corporate Development at Telenet. "Only the IT architecture was retained as an essential element within the operating model. The general objective is to make the output for the customer as efficient as possible. That's why we give each part of the organisation – such as marketing, HR, finance, etc. – full control over its own IT capabilities: capex, opex, in-house development, testing, etc. But at the same time we link that room for manoeuvre to a clear mandate."

In short, Telenet has built a completely new organisation, not with IT as a supporting service, but with IT at its centre. "Each department has the people, the resources and the technology to map out its own IT processes, according to what it considers important. The business owners decide for themselves. They are closest to the customer. They know perfectly well what the priorities are and can make the right choices themselves." It's an approach that creates more harmony. "Business and IT work together on the processes that guarantee the best output for the customer."

Telenet describes the new approach as a form of systems thinking. The company provides building blocks, but at the same time establishes guard rails – via IT architecture – that ensure departments don't go astray. "Thanks to the new framework, we've managed to shorten the time to market and at the same time deliver better quality products. That's important because in our industry the speed with which you bring a solution to the market often makes a big difference." Leadership is essential to get the entire company to buy in. "But now, after 18 months, the employees feel empowered. The new approach has removed their pain points."

Everyone working with IT

Digital transformation often means a company reinventing itself as an IT company. One way to do this is to organise and structure the company in a new way, but let each department run its own IT. Each department is given a clear mandate: the billing department, for example, must provide the customer with a clear invoice, and it has its own IT capabilities – people, budget, tools, etc. – to fulfil that mandate. The same goes for HR, which chooses and manages its own tools. However, the traditional, overarching IT department doesn't disappear, rather it monitors the overall architecture.

In practice, it is business and IT that together implement the processes that result in the best output. However, there is an important condition attached to this way of working. The business must be closer to IT; it must know how IT works and what is possible if it is to achieve its business objectives. The business is provided with the necessary IT building blocks, while the overarching IT organisation provides the necessary parameters within which each department can work with its building blocks.

Time-to-market

The idea behind this approach is that it allows business leaders to make the right decisions faster. For example, for the development of an application, they are less dependent on consultation with a traditional IT organisation. They save time and the solution ends up being of a higher quality. In any case, the business knows better what it should prioritise and can therefore shorten the time-to-market. In a highly competitive market, that makes a real difference.

But if every department focuses only on its own IT, who'll pay attention to innovation? A separate innovation team that focuses on developing and testing new ideas, of course! Successful ideas can then be implemented by the existing teams.

Leadership is important

The approach outlined above brings IT closer to the business. At the same time, it turns the entire company upside down, which means change management and the associated support are essential. Through preliminary interviews, the pain points of the various departments are mapped out, so that clear guidance can be provided. The entire process requires at least 18 months, but it leads to unprecedented empowerment among teams. The initial fears of the IT department – that IT would be axed – turn out to be totally unfounded. In fact, the new approach only increases the importance of IT, because everything is IT and IT is everywhere.

Conclusion

The scenarios outlined turned out to be very recognisable to everyone involved in the discussion. Many companies are facing major challenges: there is a demand for more IT, but there aren't enough profiles on the labour market. And that scarcity is expected to last for at least another 20 years. This not only forces companies to take a different view of the recruitment, training and retention of IT people, it also demands that they approach their entire IT organisation in a new way.

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About CIONET

CIONET is the leading community of more than 10,000 digital leaders in 20+ countries across Europe, Asia, and the Americas. Through this global presence CIONET orchestrates peer-to-peer interactions focused on the most important business and technology issues of the day. CIONET members join over a thousand international and regional live and virtual events annually, ranging from roundtables, programs for peer-to-peer exchange of expertise, community networking events, to large international gatherings. Its members testify that CIONET is an impartial and value adding platform that helps them use the wisdom of the (IT) crowd, to acquire expertise, advance their professional development, analyse and solve IT issues, and accelerate beneficial outcomes within their organisation.

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Business

About Telenet Business

Telenet Business, part of the Telenet Group, is so much more than connectivity. As a managed service provider they help Belgian companies turn their digital challenges into business opportunities. They support and unburden, large and medium-sized enterprises as well as small entrepreneurs. You can count on them for high-quality managed services such as internet, telephony, solutions to collaborate and communicate digitally, cybersecurity and smart displays.

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