The Future of Team **Work**

How to build an agile team for the challenges of tomorrow
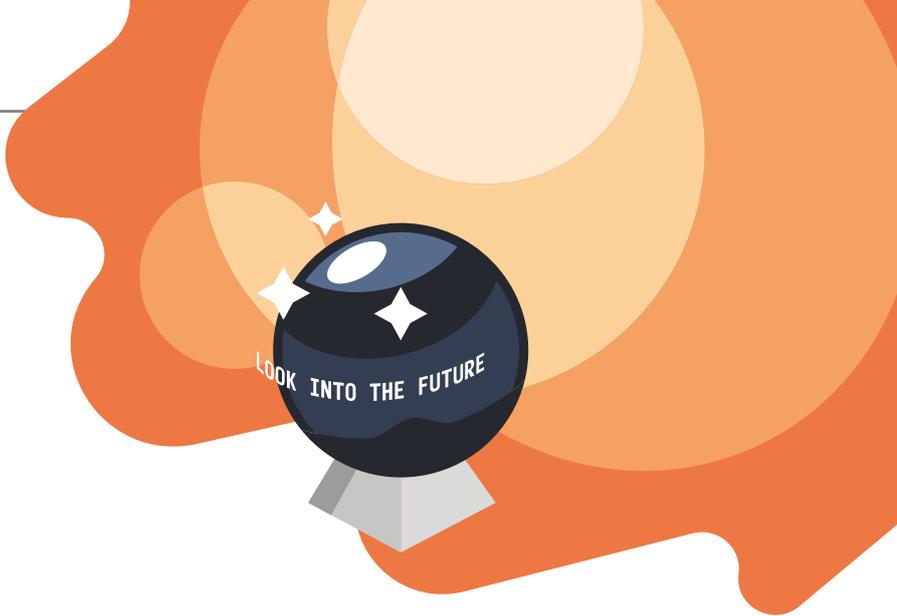

ClearHub

FOREWORD BY

SIMON WOOD,
CIO, CLEARHUB

Welcome

The number one reason clients rely on ClearHub is the skills shortage in IT. They need the right person to help their team (or lead it) and they need them yesterday. Indeed, a 2018 global survey by OutSystems revealed that 80% of IT professionals believe software developers are scarce and hiring them takes longer and costs more.

The main reason for this is the fast-growing desire of the biggest organisations to be more agile and deliver products to market faster. This has created a significant demand for developers with particular skills and mindsets, leading to the saturation of job boards and other recruitment channels as recruiters scour the planet for them.

This white paper looks at the future of work and how IT leaders can turn the challenges of today into the opportunities of tomorrow with distributed teams. In simple terms this is done by harnessing the power of technology and software to bring together disparate teams and remote workers, and tapping into a larger talent pool.

This content has been developed from extensive research of the industry, conversations with ClearHub clients and, of course, expertise from industry pros. We'd like to thank the contributors providing their insight for this white paper, including Atlassian's Dominic Price, Shop Direct's Simon Halkyard, HUGE.io's Andy Carmichael, and Seibert Media's Martin Seibert.

Whether this is the right approach for you and your organisation is up to you of course, but this white paper will give you the insight you need to make the right decision.

80% believe: software developers are scarce and hiring takes longer and costs more.

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Who will enjoy this white paper

This white paper is written for recruitment professionals and tech leaders, and so covers everything from the evolution of software development to hiring best practice. The main focus here is on hiring the right people to help your business, be that local or remote, permanent or contract.

Contents
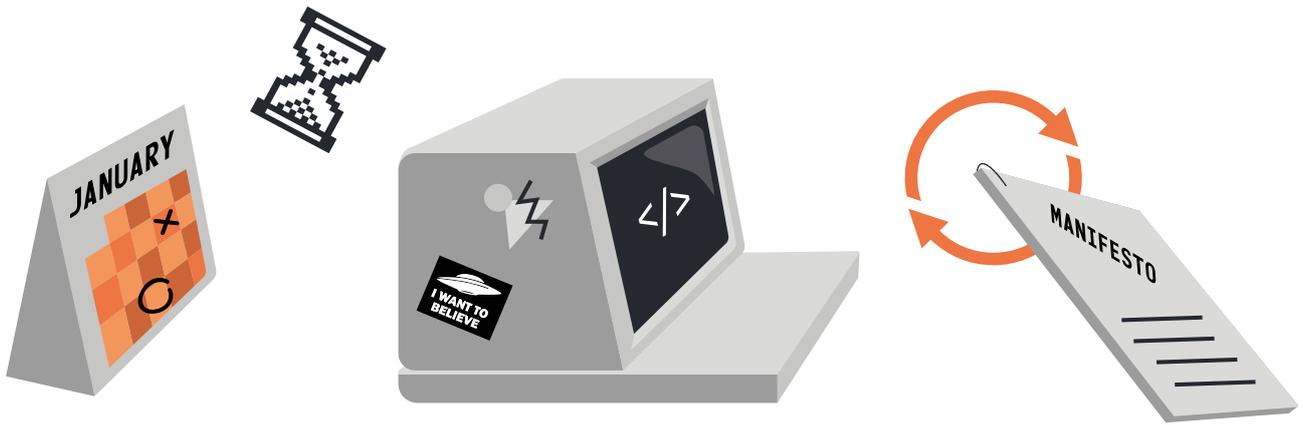
The evolution of development teams

Agile software development is not a new notion.

Its roots precede the turn of the century and yet a surprising number of organisations are only just getting a handle on it now. In a Deloitte Human Capital Trends report, commissioned last year, 94% of the companies interviewed said that 'agility and collaboration' are critical to their organisation's success, yet only 6% say that they are 'highly agile today'. 60% of respondents surveyed by OutSystems said they had invested in agile development training or consulting in the past year. 40% said they had invested in DevOps, an approach that has grown out of the success of agile practices and promotes the continuous delivery of software.

Agile and DevOps practices boil down to essentially one thing: a desire to deliver working software faster. The desire stemmed from the 'application delivery lag' crisis of the 1990s, when the time between a validated business need and an actual application in operation was estimated to be about three years. In certain industries, the lag was a lot longer.

- 94%
- 6%

In the early days of software, messy and unplanned approaches to development were the norm. When a framework for software engineering was first developed in the 1970s, the idea was to equate it with physical engineering. Hence, the waterfall model was born, which clearly defined all the stages of an application's development and required each stage to be completed, fully, before moving on to the next. It meant that progress only flowed one way and, once a stage was finished, there were rarely provisions to go back to an earlier stage and improve something.

But, unlike civil or mechanical engineering projects like a bridge or a high-rise building, which don't typically require modification in a year or two, software projects rarely enjoy that kind of stability. As a result, many that used the waterfall model were cancelled partway through or didn't fulfil the business's needs once completed. This was because of two things: the inflexibility of the stage-by-stage process and the fact that businesses had to wait years for an application to be completed before they could use it. Requirements and systems can change overnight, let alone years, which is why software leaders in the early 2000s sought ways of building working software for businesses faster.

As a result, the agile methodology was developed, in which software is delivered in increments. This enables users to get business benefits quickly and the software team to get feedback on the application before they continue development. It is a process that promotes collaboration, evolutionary development, continual improvement and rapid, flexible responses to change — all of which are becoming increasingly important components of modern software development.
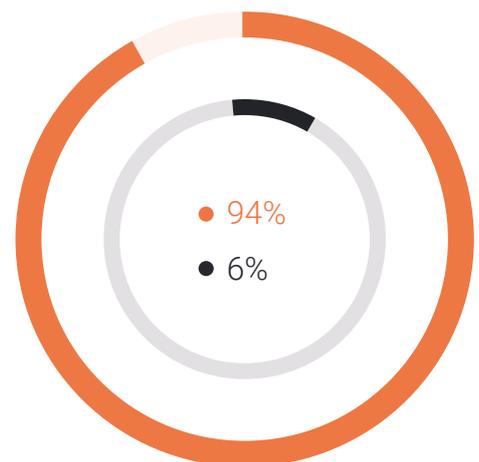
There has also been a shift to smaller development teams in recent years, and a growing body of research shows that smaller teams are more productive and more efficient than larger teams. A 2016 survey by Atlassian revealed that 37% of small development organisations with 1-100 members take less than four hours to push a line of code to production. This is compared to just 23% of medium-sized organisations and 17% of large organisations. Agile development is believed to play a huge part in this. The same survey revealed that 88% of organisations with 100 or fewer members had adopted agile practices.

Many large enterprises have fallen behind their smaller, more agile competitors and are moving to catch up. This is why recruiters, be it in-house or agency, are scrambling to find — and keep — the best talent.

1-100 DEVELOPERS >4HRS

SCRAMBLE
SCRAMBLE
SCRAMBLE
SCRAMBLE
SCRAMBLE
SCRAMBLE

KEEP - KEEP - KEE

Building an agile team

When it comes to building an agile team it is important to remember that one size does not fit all.

Budget, location, industry, skills needed, and many other factors, all need to be considered when looking to build an agile team.

These factors will probably dictate the talent pool available and from there decisions will need to be made about whether to explore outsourcing, distributed teams or remote workers.

Before we get into this however, there are some tried and tested approaches to building the right environment for an agile team to thrive.
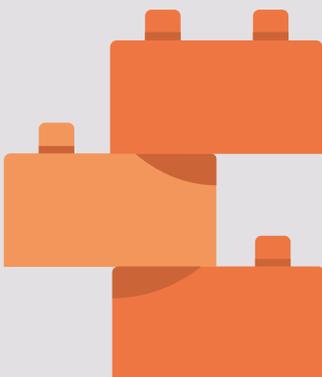
Software development is a social activity

It was Stephen Hawking who famously said that "Mankind's greatest achievements have come about by talking, and its greatest failures by not talking', and this is true of software development.

ClearHub spoke with Dr Andy Carmichael, an accredited Kanban Trainer and Kanban Coaching Professional with **Huge.IO**, to unearth the key considerations for organisations looking to hire and get the most out of their development teams.
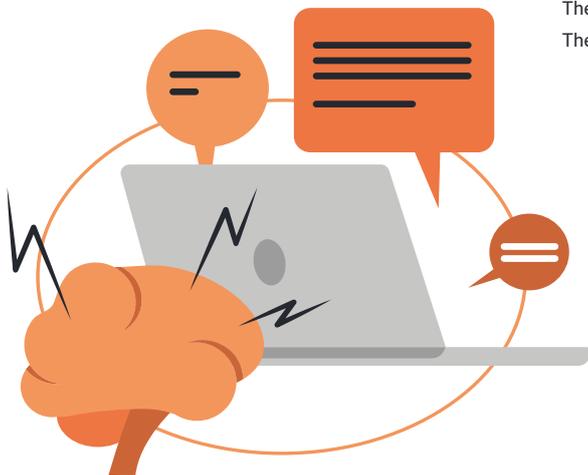
"The issue for agile teams is not whether they are distributed or not. It's how well they communicate and collaborate", Andy said. "In today's world a team can be well-connected, whether it has members located all around the world, or just across floors in the same building. While technology is key, it's mainly about how available it is and how it's used. Be prepared to use some of the savings from distributing the team on making their communication and collaboration better!"

Video conferencing tools like Zoom and Skype, and IM tools like Slack, make regular communication easy. But as Andy Carmichael warns, it's not as simple as installing the software and letting your team get on with it, or even adopting a few agile tactics; collaboration has to be part of your culture.

"Take the 'daily stand-up' a cornerstone of most agile methods", he continued. "It doesn't do its job unless it's used to enhance collaboration. I've seen many "stand-ups" with people sat at their desks with headphones on, participating only when it's their turn to tell the rest of the group (now on mute and doing their emails or other work) how busy they are! Ditch the script, make sure everyone can see each other, as well as hear and speak and, most importantly, use it for collaborating and planning collaboration. Distributed teams, using technology well, have the opportunity not just to do as well as co-located teams, but to exceed their performance, by having the right conversations when needed, and uninterrupted time when working "in the zone".

"Like all aspects of agile, you should focus on the work, not the workers. So plan the regular cadences of agile working (not just the daily stand-up) to ensure the right people are there (physically or virtually) and the focus is on collaboration not "status". Anything else is just waste!" he added.

The key here then, regardless of where teams are based, is to maintain a culture of collaboration. The best software in the world is no use if the people using it aren't bought into why it's needed.

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The issue for agile teams is not whether they are distributed or not. It's how well they communicate and collaborate."

DR. ANDY CARMICHAEL, HUGE.IO

Hiring for an agile team

To build a more agile, more productive team that can really transform a business and drive it forwards, IT leaders need to adopt a different approach to recruitment. The traditional approach of determining who to interview via keyword searches and credentials listed on a CV doesn't cut it. It can lead recruiters to disregard candidates that have the attitude and mindset to really contribute to their company's success and perhaps even change the game.

Five ways smart recruiters find the right agile resource

These days, those involved in recruitment need to look at what a person can bring to the organisation, regardless of their qualifications and experience. This is especially important for an agile team. Hiring managers also need to ensure their offer is as attractive as possible, and that goes beyond money.

ClearHub spoke with the Talent Acquisition Partner for Shop Direct, **Simon Halkyard**, to get some insight on hiring the best tech talent. Here are five ways in which this can be done:

01

Defining the job, not the skills needed to do the job.

Before beginning the sourcing process, have a session with the people who will be involved in the hiring process to identify the actual job requirements. This should include at least five objectives — actual deliverables that need to be achieved. Skills shouldn't be ignored of course, especially for technical roles. The tool-specific skills (e.g. Jira, AWS, Java) of the ideal candidate should be considered.

02

Experimenting with different hiring methods and tactics.

Unless outsourcing to a service like ClearHub, whose resourcers already do this kind of activity, there are numerous tactics to consider as part of the hiring process. Due to high competition, organisations have to appeal to passive candidates, as well as active job seekers.
Here are some examples of tactics:

- Pay to post the role on a relevant job board or aggregator site
- Headhunt candidates using LinkedIn (paid options offer more access) and other platforms
- Use an internal referral scheme
- Attend job fairs

- Network at IT events
- Participate in forums and other online channels
- Paid digital advertising (e.g. Google, social media)
- Offline advertising (e.g. billboards, tube, print media)
- Email marketing and direct mail

03

Focusing on mindset and values.

For an agile team, recruiters look beyond a person's CV and are careful that the CV doesn't limit them from meeting great candidates. This should also be factored into the interview process.

The key here is emotional intelligence (or EQ). EQ is the capacity of an individual to recognize emotions – their own and those of others. Teamwork and communication is essential for an agile team, and a key component of productivity, so questions that unlock such information should be considered. Organisations often use personality profiling for existing teams, and in their hiring process, to ensure a good fit.

04

Give the candidate what they want!

A simple, yet often overlooked aspect of hiring that is especially important for tech roles. If someone is the right fit, smart recruiters make sure they sell the role.

As Simon explains, offering flexible working is a no-brainer when trying to attract the right talent: "Candidates are not asking for flexible working, they are demanding it. In a candidate driven sector such as tech you nullify a huge amount of candidates if you dismiss this as a fad or temporary. Flexible working is here to stay and just like we do with customers we need to listen and adapt to the needs of candidates if we are to hire the best ones."

"...we need to listen and adapt to the needs of candidates if we are to hire the best ones."

SIMON HALKYARD, SHOP DIRECT

05

Being open and honest.

Hiring the wrong person is expensive (ClearHub discovered as much in a **recent study**) so ensuring the hiring process is a dialogue, rather than a one way conversation, is important. Being open about the organisation's culture, team structure, any upcoming changes, expectations and the frequency of change, for example, will avoid any future disruption.

Making the case for distributed teams

Much has been written about the importance of having the whole team in one place, particularly for software development (including this **angry piece** by Mark Suster!) but this white paper is exploring what the *future* of work looks like. With costs increasing and competition for IT talent so fierce, distributed teams seem like the *only* option for many organisations.

In a survey conducted by Tech City UK, over 50% of UK employers highlighted a shortage of highly skilled employees, with nearly 25% describing the act of sourcing talent as a '**major challenge**'. Meanwhile the investment in tech continues to rise, with the same study saying the turnover of digital tech businesses in the UK reached £170 billion (in 2017), an increase of £30 billion in the last five years. In short, this means a significant talent shortage in the UK alone, and the same is true for most other developed countries.

The plausible solution is distributed teams and utilising the "human cloud". The human cloud is a growing set of online marketplaces where tasks and projects are performed remotely and on demand by independent contractors rather than employees. It is the fastest-growing segment of the rising gig economy and Staffing Industry Analysts (SIA) reports that total human cloud spend grew by 65% in 2017 and reached $82.4 billion.

Digital tech business turnover in 2017: £170b
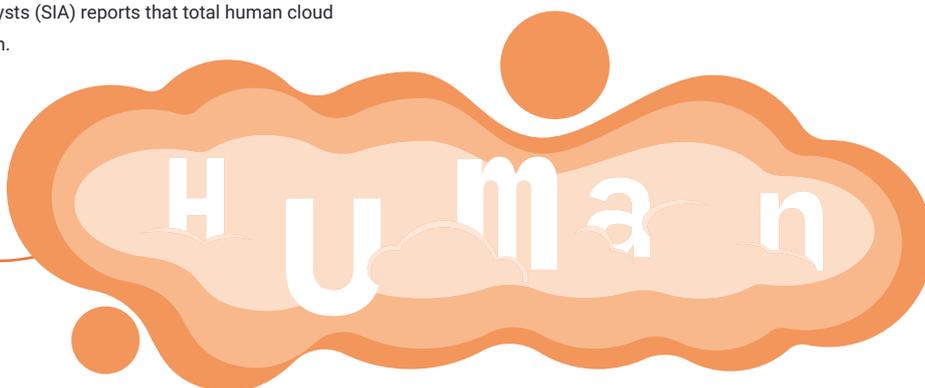
More and more developers are seeking contract or freelance work rather than permanent, employed jobs. McKinsey Global Institute reported in 2016 that 30% of the working age population in Europe and the United States engage in some form of independent work. A 2018 report by Kingston University and the Association of Independent Professionals and the Self Employed states that the number of highly skilled freelancers in the UK has grown by 46% to two million since 2008, and is outpacing overall self-employment growth. In the US, Upwork and Freelancers Union report that the freelance workforce is growing faster than the overall US workforce. By 2027, freelancers are expected to make up the majority of US workers.

The main advantage of hiring through human cloud platforms is being able to secure skilled workers in a hurry. For IT recruiters, it is an effective solution to the skills shortage and the problem of onboarding contractors fast, and can make their organisation more flexible, more productive and more profitable.

In addition, a human cloud platform like ClearHub has levels of screening, testing and personality profiling that ensure candidates have the right skills and mindset and are the right cultural fit for an organisation, offsetting some concerns recruiters have around the speed of onboarding. This takes care of the challenge of evaluating candidates quickly outside of the credentials in their CVs.

However, large organisations are sometimes reluctant to tap into the benefits of the human cloud. Some are worried about a lack of control. They are concerned that remote workers might be unreliable or less motivated than employees. After all, a company can tell an employee how and when to do their job and discipline them if they don't.

With a contractor, a company is relying on the contractor's expertise to ensure that they achieve the task it has engaged them to perform. Furthermore, if the contractor's skill set is particularly specialist, the company's existing team might not be able to quality-control their work. Some organisations are also worried about cybersecurity threats and intellectual property rights (which typically transfer automatically from employee to employer).

However, all of these concerns can be alleviated by well-drafted work contracts and the controls put in place by the human cloud platforms themselves. Recruiters can also start small if they are unsure and hire a contractor for a minor task to test the waters. If it all works out, they can engage them again for longer development projects.

Another way for large organisations to ease their concerns is to stop thinking about "remote workers" and start thinking about "distributed teams". A company that says it has remote workers gives a sense that those workers are detached from the organisation and it has less control over them. But a company that says it has a distributed team spread across geographical boundaries and time zones gives a sense of cohesion. It is a tiny mental shift but it enables an organisation to go from focusing on an individual to taking a more holistic look at its structure and people.

"REMOTE WORKERS"
"DISTRIBUTED TEAMS"

Three key ingredients for successful distributed teams

We spoke with Dominic Price, Work Futurist at Atlassian, who has written extensively on the importance of teams.

He said: "The future of work will require humans to be human, to unlearn some of the habits and rituals of yesteryear, and to evolve our ways of working to be relevant and effective. Agility and adaptability will be core for those that thrive, not just survive."
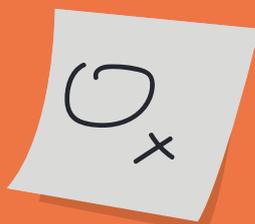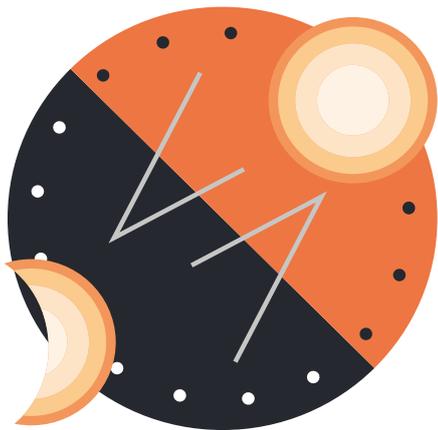
Dominic talks about the three key ingredients for successful distributed teams. These are:

01

Good team health

Atlassian found eight attributes that healthy, high-performing teams have in common. These include a shared understanding of the problem they are solving, a full-time owner who champions the mission and is accountable for the results, and having the right blend of people and skills. Atlassian put together a **Team Health Monitor** to measure those attributes so that an organisation knows where it is and where it needs to go.

02

Autonomy

With a team sitting across different time zones, a culture of delegation and decentralised decision-making is essential. The most successful companies are ones that recognise that the best people to make a decision are the ones closest to the work it affects. The least successful companies are the ones where leaders hoard the decision-making. It makes their output glacial and their talent turnover high.

03

Transparency

Unfortunately many companies are built on information silos. The negative effects of this are amplified by the distance between members of a distributed team. Truly effective distributed teams are ones where information and insights are shared in a timely manner and no one wastes time on work that isn't relevant. Ideally a company should have an intranet that allows for a free-flowing exchange of ideas and feedback, and ensures everyone in the team is on the same page.

This last point, regarding transparency and the need for an open exchange of ideas, is essential to a collaborative software development team, regardless of whether they're sharing the same office or are based in offices around the globe. This was echoed in a conversation with Martin Seibert, CEO of Seibert Media: "The future of work is more and more about connecting people and connecting specialized systems. That's why you should look for personalized and tailored experiences for your employees in software solutions that also work on the go."

This, once again, highlights the need for a culture built on agile principles, particularly giving the agile team enough information to get the job done, and encouraging collaboration throughout the project.

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The future of work is more and more about connecting people and connecting specialized systems"

MARTIN SEIBERT, *SEIBERT MEDIA*

Conclusion

The skills shortage in IT isn't going to improve any time soon, which means even the most attractive employers will continue to struggle to find the right talent. But that talent is absolutely essential to maintaining a competitive edge. An agile team of smart creatives, with the right management and the right tools, can make or break an organisation's product output.

This white paper has explored the evolution of development teams, some fundamental principles to be explored when building an agile team, and how to hire the right people, and made a case for distributed teams.

Building a distributed team of contractors using human cloud platforms isn't just the key to solving the challenges that IT recruiters face today. It is also the key to making development organisations into the successes they yearn to be tomorrow, by making them more agile, more flexible and more responsive to change. With distributed teams, large development organisations will be much better equipped to compete with — and outstrip — the smaller, disruptive players.

The key takeaway here is that, whether an organisation chooses to have a creative hub of agile developers at a central location, or chooses to have development teams in different parts of the globe, they can still maintain the agile principles that have made so many organisations successful. With so many innovative hiring solutions to find the right people, and software solutions to help those people work collaboratively and productively, the future of work looks bright.
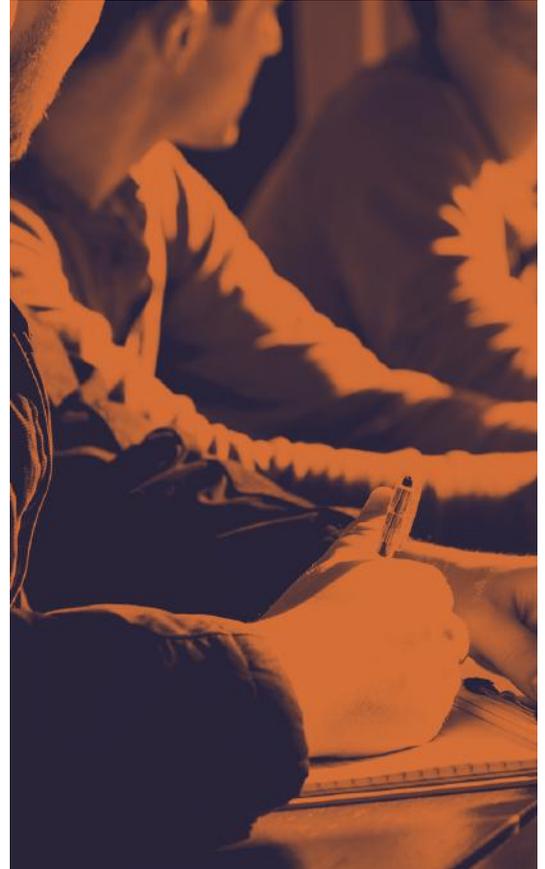
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This white paper was brought to you by ClearHub - we hope you found it useful!

ClearHub is the only place to find expert contractors specialising in Jira, Confluence, Bitbucket and more, wherever you are in the world. With built-in Atlassian Platinum support.

With access to over 2,000 proven, trusted contractors, and a team of people who truly understand what it takes to deliver quality software faster, ClearHub is used by many of the largest organisations in the world to add flexibility and speed to their hiring process.

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