celerity

A Perfect Storm

Navigating The IT Talent Crisis in 2020 and Beyond

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Prepare For Rough Seas Ahead

A perfect storm is gathering in the IT industry. It is not fueled by global competition, rapid innovation, security concerns, or the myriad issues that keep CEOs awake at night—though all are impacted by it. Instead, the storm is gathering around finding qualified talent.

A 2019 report by CompTIA indicates that the unemployment rate in the tech sector has reached an historic 20-year low at 1.3%[1]. Meanwhile, job growth remains strong as organizations invest in new cloud, digital, application development, data, and cybersecurity initiatives. LinkedIn predicts that, by 2020, the technology, media and communications industry will be short 1.1 million workers globally. By 2030, that deficit might reach 4.3 million[2].

So what kind of dangers lurk in these statistics and what can you do to avoid them? This paper covers the gravity of the talent shortage—and a solution for combating it.

> The data confirms what employers have been saying for months and even years—*the demand for tech talent has reached historic levels.* There is now the very real prospect of tech worker shortages affecting industry growth.
>
> —Tim Herbert, Executive Vice President, CompTIA

CAUSES

See What's Fueling The Storm

The underlying reasons behind the employment gap are many and varied. Four factors are combining to drive the dearth of technology talent:

INCREASING IT SPENDING

Gartner predicts overall IT spending to increase by 3.6% in 2020, with the largest increases in the areas of enterprise software and IT services[3]. The industry will need skilled workers to support that growth.

LOW UNEMPLOYMENT RATES

With technology unemployment at an historic low of 1.3%, the market for skilled workers is tight. Adding to this, the workers that are available will come at a premium price.

RAPID JOB GROWTH

Between 2016 and 2026, IT job growth is expected to rise by 13%—faster than the average for all occupations[4]. But with unemployment at an all-time low in the sector, who will fill these positions?

JOB LOYALTY IS DOWN

Over half of the digital talent pool is ready to leave their current job if they feel their skills are stagnating[5]. They know their skills are in demand and have less fear of leaving.

Learn What Organizations Like Yours Are Doing to Address The Crisis

Organizations are tackling these challenges in big ways and small:

ADVERTISING
In 2018, global revenue for online recruitment advertising spend increased by 15%[6]—good news for sites like LinkedIn and Recruit.

MERGERS + ACQUISITIONS
Some large organizations are filling gaps by acquiring other companies (and their employees) strong in the skills they require.

CROSS-TRAINING + UPSKILLING
Some organizations are starting apprenticeship programs to build skills and further the education of employees and recruits.

OFFSHORING
While the financial benefits of offshoring have been offset by rising costs, it's still a viable solution for addressing skills gap issues.

Discover The Master Strategy of Agile Staffing

Blended, agile staffing models are becoming more of the norm than the exception in the IT world. This blended strategy leverages a mix of resource types—full-time hires, part-time staff, contractors, consultants, and freelancers—in order to secure the best and brightest IT talent and push digital initiatives forward.

Leveraging outsourced IT talent as needed is ideally suited for today's agile IT environment. Managers have the increased flexibility to assemble teams with the skills they need for defined periods of time and reap a host of benefits in the process, including:

Freelancers and consultants, whether full-time or part-time, are now **34% of the workforce**[7] and the most rapidly growing sector. By 2027, they are expected to be the majority of the workforce.[8]

SPEED
Finding the right-fit IT specialists means that new initiatives, projects, and products will get to market faster, enhancing your competitiveness.

COSTS
Using contractors means less overhead and less time spent searching. Also, trying candidates out before making a commitment decreases attrition and turnover.

PRODUCTIVITY
The talent provider can manage resources for you, removing management burdens and ensuring high productivity and efficiency from each resource.

QUALITY
Contracted talent brings a fresh perspective, along with specialized skills and a "consultant mindset", translating to finding better, faster ways to get projects done.

How to Find Talent Fast

It takes the typical company three to six months to onboard and ramp up a new employee and make him or her productive. In the IT space, the average time to fill positions is 51 days[9]. But specialized IT talent firms like Celerity, with access to large networks of tech professionals, can fill requirements as few as 14 days. Those 37 saved days can make all the difference when you have mission critical projects that you need staffed quickly.

Weather The IT Skills Shortage With the Right Provider

The growing shortage addressed here has numerous implications. If there aren't sufficient resources on hand, how does your organization stay ahead of the competition? What happens to the spirit of innovation you need to evolve to serve your customers?

While your organization may try many and varied tactics to address the shortage, you're always going to need to rely upon a steady and blended pipeline of IT resources. Because Celerity has spent the better part of the last two decades building relationships with top consultants in specialized fields, we have fast and easy access to well-qualified, fully screened IT experts to fill your organization's gaps, including:

Contract consultants

Freelance talent

Full-time employee candidates

Contract-to-hire placements

SOURCES

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[6] Staffing Industry Analysts, *Online Job Advertising Rises 15%; Report Lists Largest Firms*, July 22, 2019

[7] Freetrain Freelance Statistics

[8] Upwork Press Release, *Freelancers predicted to become the U.S. workforce majority within a decade, with nearly 50% of millennial workers already freelancing, annual "Freelancing in America" study finds*, October 17, 2017

[9] Workable, *What is the average time to hire by industry?*, 2017

Contact us with your agile staffing questions.

Let us tailor a solution that will keep you sailing smoothly through any talent acquisition problem you face.

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Celerity is a leading business and technology consulting firm dedicated to modernizing businesses efficiently. We specialize in digital experience, technology implementation, process transformation, data analytics, and the integration between them all.