



TECHNOLOGY &
RECRUITMENT
THE LANDSCAPE FOR 2017

DELIVERED BY

ROBERT WALTERS





The tech and digital industry is one of the most dynamic sectors in the UK, with demand for IT professionals rapidly growing to support startup and SME businesses, as well as providing vital in-house functions for larger firms. In this climate, IT professionals are highly sought after and employers need to compete to secure top talent.

Robert Walters and Jobsite have surveyed over 700 senior IT professionals across the UK to gain insights on how demand for tech specialists will develop in 2017, the challenges employers will face and what strategies they can use to attract top talent.

Determining how to attract and retain high-calibre IT professionals will be vital for employers looking to expand their online presence, improve their ability to analyse Big Data and use these insights to help guide strategic business decisions and develop robust cyber security strategies.

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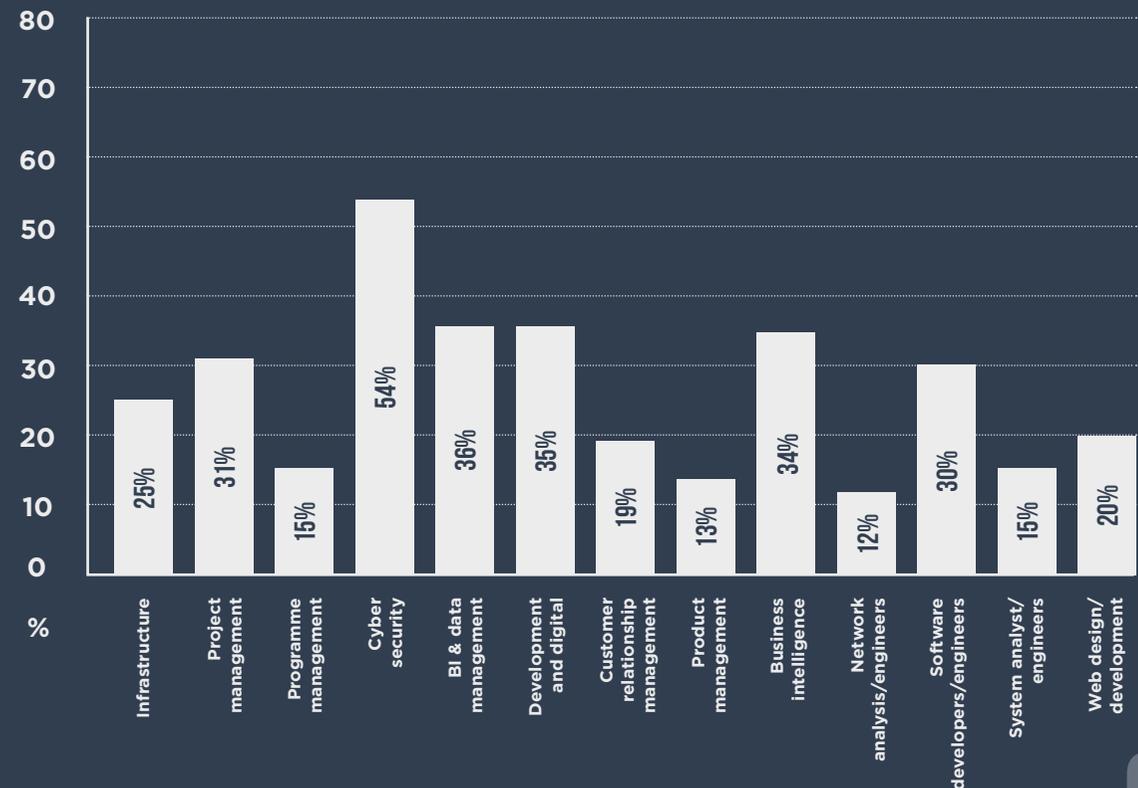
CHAPTER 1 GROWTH AREAS IN 2017

Demand for IT professionals is changing, significantly spurred on by the growth of small digital startup firms. In addition, large established companies are recognising the necessity of having a highly effective IT function to provide vital strategic insights and ensure data security.

With IT departments taking an increasingly prominent role within businesses, and startups seeing rising demand for their services, **47%** of IT hiring managers expect hiring volumes to increase in 2017. Only **2%** believe there will be a significant decrease in hiring levels. **51%** believe there will be either no change, or a slight decrease in 2017.

IT professionals are expected to be sought after across a range of specialisations, with senior IT professionals anticipating that cyber security professionals will see the highest growth in demand for their skills (**54%**). High profile IT security breaches and increasingly strict regulation in this area have made cyber security a high priority for businesses and demand for specialists will rise accordingly.

WHICH AREAS OF TECHNOLOGY RECRUITMENT DO YOU EXPECT TO BE IN HIGHER DEMAND IN 2017 THAN 2016?



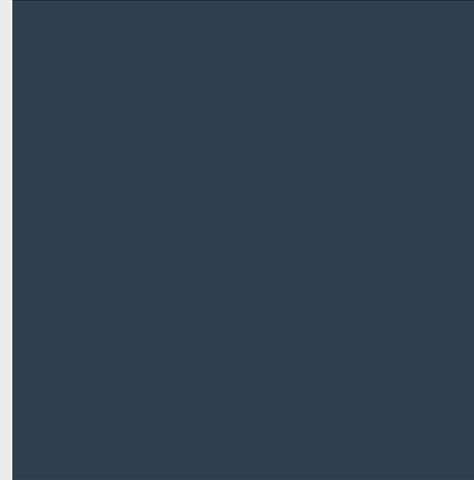
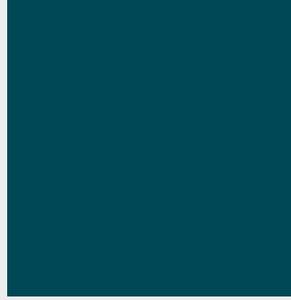
Big Data and business intelligence are also becoming increasingly prominent areas as employers come to recognise the high levels of ROI these functions can offer. Employers in FMCG, media, automotive and manufacturing are all expected to be pivotal in driving demand for professionals in these fields as they look to use sophisticated data analytics to focus sales and marketing activity in a bid to increase market share.

“

EVEN OUTSIDE OF DEDICATED TECH FIRMS, SENIOR BUSINESS LEADERS ARE COMING TO RECOGNISE THAT EFFECTIVE IT TEAMS CAN ADD VALUE IN TERMS OF THEIR ABILITY TO SUPPORT BUSINESS GROWTH THROUGH DATA ANALYTICS. THEY ALSO PROVIDE VITAL SECURITY TO SAFEGUARD THE COMPANY'S REPUTATION AND TO AVOID COSTLY FINES ASSOCIATED WITH DATA BREACHES.

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AHSAN IQBAL, ASSOCIATE DIRECTOR – ROBERT WALTERS





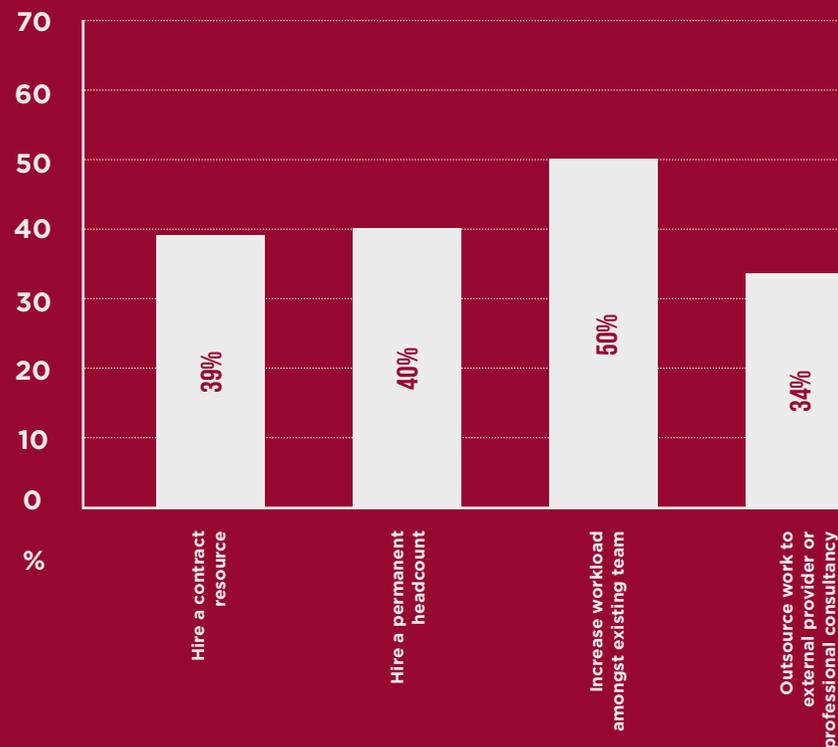
CHAPTER 2 MANAGING RISING WORKLOADS

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As the role of IT departments continues to broaden, **77%** of senior IT professionals expect to see workloads for their teams increase in 2017. In order to cope with the growing range of tasks and responsibilities, IT managers are planning to make use of contractors (**39%**), increasing permanent headcount (**40%**) and outsourcing to consultancies (**34%**). However, **50%** are also planning to increase the workload within their existing team, potentially placing IT professionals under increasing pressure next year.

HOW DO YOU PLAN TO MANAGE THIS INCREASE IN WORKLOAD?



As a result of this increasing workload, opportunities will be available with consultancies and specialist firms providing outsourcing services, as well as permanent or interim in-house roles with large employers.

Contractors will be in demand to provide specialist skills to complete short term projects, as well as providing interim cover to alleviate the workload on existing teams while senior IT professionals look for permanent candidates.



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IN MANY CASES, EMPLOYERS WILL LOOK TO OVERHAUL SYSTEMS AND PROCESSES, REQUIRING SPECIALIST IT TALENT TO COMPLETE THESE PROJECTS. PROFESSIONALS WITH IN-DEMAND SKILLS WHO TAKE AN AGILE APPROACH TO FINDING OPPORTUNITIES WILL BE IN A STRONG POSITION TO SECURE HIGH SALARIES AND BENEFITS.

”

LEE ALLEN, SALES DIRECTOR – JOBSITE

CHAPTER 3

SKILLS IN DEMAND

Employers are coming to recognise that developing a strong IT function is a long term investment and this is reflected in the high demand for junior professionals in the field.



57% of senior IT professionals expect the number of staff hired at graduate or junior levels to increase next year.



Just **17%** expect hiring volumes of senior managers or directors to increase in 2017.

In addition to junior staff, the increasing number of projects being undertaken by IT departments means that employers will be looking for mid-levels managers to take on project management roles.

Due to the importance of emerging technology, employers are coming to recognise that updating systems and

processes is an urgent concern and, as a result, mid-level managers who understand new technologies and can manage upgrades will be in high demand.



37% of hiring managers say that they expect to hire more mid-level professionals in 2017 than 2016.

However, employers also expect to struggle to find candidates with the skills and experience necessary.



62% of hiring managers expect it to be difficult to find candidates with the required skills in 2017.



**JUNIOR LEVEL
PROFESSIONALS MOST
IN DEMAND**



AS EMPLOYERS BECOME MORE CONSCIOUS OF THE IMPORTANCE OF LONG TERM SUCCESSION PLANNING THEY ARE PLACING EMPHASIS ON HIRING HIGH-POTENTIAL CANDIDATES AT THE JUNIOR LEVEL AND PROVIDING TRAINING TO ENSURE THAT THEY ARE GROOMING FUTURE LEADERS IN-HOUSE.



LEE ALLEN, SALES DIRECTOR – JOBSITE

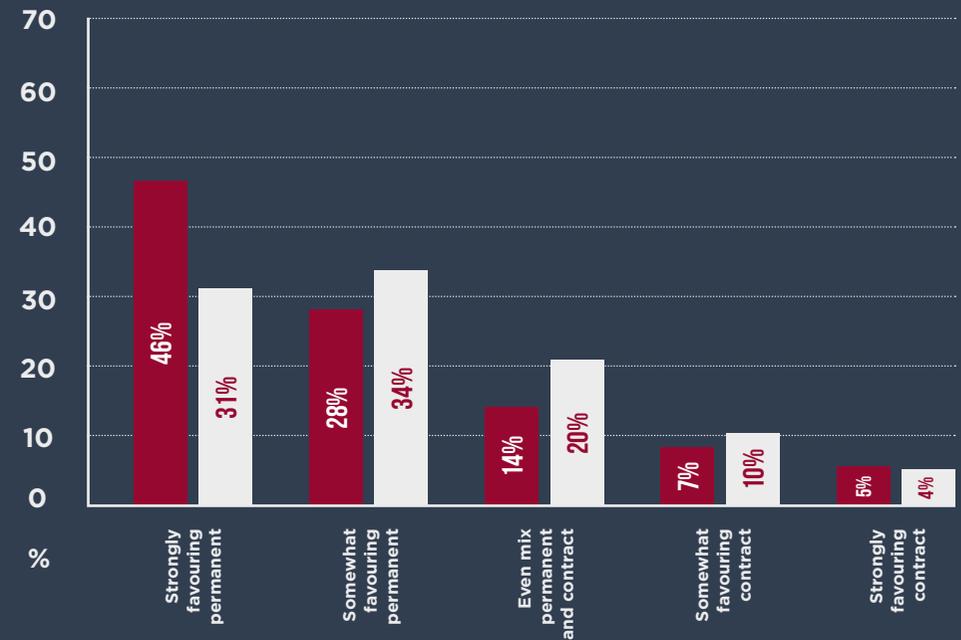
CHAPTER 4 CONTRACT VS PERM

Due to the varied nature of IT projects employers plan to carry out in 2017, hiring managers anticipate an increased demand for both permanent and temporary professionals within their team. In 2016, **75%** of IT hiring managers said that permanent staff made up the majority of their teams.

In 2017, while permanent roles are still anticipated to account for the bulk of increases to headcount, contractors will also become more popular to employers. Over a third of senior IT professionals expect to recruit an even mix of contractors and permanent staff or to hire primarily contractors, compared to just **25%** who said likewise in 2016.

WHAT IS THE CURRENT SPLIT OF PERMANENT STAFF, COMPARED WITH CONTRACT STAFF, IN YOUR ORGANISATION?

WHAT DO YOU ANTICIPATE THIS SPLIT TO BE BY THE END OF 2017 WITHIN THE IT INDUSTRY?





Recent political uncertainty has also played a role in driving demand for contractors and this is likely to persist in 2017. Following the EU referendum, **78%** of IT hiring managers reported that their levels of hiring had remained constant. However, among those firms which have increased hiring, **50%** said that they were favouring contractors over permanent staff. With the economic and political uncertainty surrounding the UK's exit from the European Union likely to continue in 2017, demand for contractors is sure to remain high.

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THE GROWING DEMAND FOR CONTRACTORS IN 2017 IS INDICATIVE OF TWO THINGS. THE FIRST IS THE INCREASING NUMBER OF MAJOR OVERHAUL PROJECTS IN TECHNOLOGY WHICH WILL REQUIRE COMPANIES TO TAKE ON SHORT TERM STAFF UNTIL THESE PROJECTS ARE COMPLETE. THE SECOND IS THE INCREASINGLY ACUTE SHORTAGE OF HIGHLY SKILLED IT PROFESSIONALS, AS A RESULT OF WHICH, EMPLOYERS ARE TURNING TO CONTRACTORS TO FILL GAPS IN THEIR TEAMS AS A SHORT TERM SOLUTION.

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WAYNE BENNETT, MANAGER – ROBERT WALTERS



CHAPTER 5 CHALLENGES IN RECRUITMENT

In 2017 demand for IT professionals will increase, stretching existing talent pools. **74%** of hiring managers said that a lack of suitably qualified candidates was a barrier to recruitment in 2016, followed by meeting salary expectations of high calibre professionals (**65%**).

Given the high level of demand for top talent, hiring managers will also need to ensure that hiring processes are quick and efficient, with **57%** of senior IT professionals agreeing that long hiring processes limited their ability to secure the best candidates.

Smaller firms in particular may struggle to match large multinationals in terms of salary. SMEs will instead need to focus on other benefits such as work life balance and company culture to remain competitive when looking to recruit.

WHAT ARE THE BIGGEST CHALLENGES YOU HAVE ENCOUNTERED WHEN RECRUITING PROFESSIONALS OVER THE LAST 12 MONTHS?



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A SMALL CANDIDATE POOL IS THE MOST SIGNIFICANT BARRIER TO HIRING MANAGERS SECURING TOP TALENT. WHILE THE NUMBER OF JUNIOR CANDIDATES IS INCREASING IT IS NOT DOING SO FAST ENOUGH TO MEET DEMAND. EMPLOYERS WILL NEED TO ENSURE RECRUITMENT PROCESSES ARE QUICK AND EFFICIENT TO SECURE SKILLED PROFESSIONALS IN THIS COMPETITIVE MARKET.

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LEE ALLEN, SALES DIRECTOR – JOBSITE

58%

OF HIRING MANAGERS HAVE
FACED SKILLS SHORTAGES
WHEN LOOKING TO RECRUIT
IT PROFESSIONALS



Read more: Jobsite surveyed 1,000 employees and 500 recruiters to uncover the employee benefit landscape.
For more information contact insight@jobsite.co.uk

CHAPTER 6

SOURCING TOP TALENT

With high levels of demand and a limited talent pool, employers are aware that they will need to compete for top talent in 2017. Part of this will mean increasing salaries to ensure that they are competitive, particularly in light of the fact that:



54% of IT managers said that salary is one of the most important factors when looking to secure top IT professionals.



The majority of senior IT professionals (**54%**) expect salaries to rise by up to **5%** next year.



31% expect to see salaries remain stable in 2017, meaning that some employers will have to look beyond remuneration in order to attract top talent.

Aside from salary, hiring managers agreed that the opportunity to work on high-profile projects, using cutting edge technology, was an important factor in attracting top talent (**83%**), as was the potential for career development (**80%**). In addition, flexible working initiatives to improve work life balance and other benefits, such as private healthcare and private pensions, were important factors for **79%** of professionals. Working hours (**20%**) and the specific industry a job is in (**26%**) were least important factors in recruiting key professionals.



WHILE SALARY REMAINS A MAJOR CONSIDERATION, PROFESSIONALS ARE INCREASINGLY LIKELY TO CHOOSE THEIR ROLE BASED ON OTHER FACTORS. ENSURING THAT CANDIDATES ARE AWARE OF THE CHALLENGING AND VARIED NATURE OF THE JOB WILL ALLOW SMALLER FIRMS TO COMPETE WITH LARGE COMPANIES WHEN IT COMES TO SECURING SPECIALIST CANDIDATES.



DAWN MAY, MANAGER – ROBERT WALTERS



Read More: 2017 Robert Walters Global Salary Survey. The Robert Walters annual Global Salary Survey is the most comprehensive review of professional salaries and recruitment trends from around the world.

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CHAPTER 7

LONG TERM RETENTION

Given the preference among employers to recruit IT professionals at the junior level, long term retention is a high priority. Hiring high-potential candidates and providing training allows companies to create long term succession plans to ensure that suitable candidates are available to fill leadership roles. As such, developing policies that will ensure staff loyalty is highly important.

Increasingly, flexibility is a top priority for IT professionals:



69% of senior IT professionals said that offering professionals the opportunity to work from home or other flexible working options is an effective strategy to ensure staff retention.



Managers also emphasise that considering the long term ambitions of staff and clearly communicating the opportunities for career development is important, **(54%)** as is providing training to demonstrate this commitment **(53%)**.

Employers should also consider the vital role that effective management plays in helping to keep their staff engaged in the business.



56% of hiring managers said that strong leadership and providing clearly defined objectives was important to keep staff engaged and retain them long term.



44% said mentoring programmes were an important factor in retaining staff.



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WHILE HIGH SALARIES AND VARIED PROJECTS ARE CRITICAL TO SECURING THE BEST CANDIDATES, WORK LIFE BALANCE AND STRUCTURED CAREER DEVELOPMENT ARE KEY TO LONG TERM RETENTION. MANAGERS CAN ENSURE THAT THEY KEEP STAFF LONG TERM BY WORKING TO ADAPT COMPANY CULTURE AND PROVIDE SUPPORT FOR THE AMBITIONS OF THEIR TEAM.

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LEE ALLEN, SALES DIRECTOR – JOBSITE





CHAPTER 8 KEY CONCLUSIONS

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Demand for IT professionals is set to rise in 2017, with Big Data analysts and cyber security professionals the most highly sought after.



Employers are widely planning to increase IT headcount in 2017. Roles will primarily be permanent but a growing number of opportunities for contractors will arise.



The bulk of demand will be at the junior/graduate level, although mid-level managers will also be highly sought after.



In the wake of the EU referendum, employers have increasingly looked to contractors to provide vital skills and expertise while still maintaining a flexible workforce amid political and economic uncertainty.



Acute talent shortages will be a challenge for all employers when looking to hire IT professionals in 2017. Smaller firms may struggle to meet the salary expectations of the most in-demand candidates.



Salaries are likely to increase **5%** across all IT roles in 2017. In addition to ensuring that remuneration is competitive, managers will also need to provide evidence of structured career progression and training opportunities to secure top talent.



To retain staff long term in such a competitive market, employers will need to respond to professionals' priorities, particularly flexible working options, and ensure that they provide ongoing opportunities for training and development.



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