



Trends and HR perspectives: Talent Acquisition and Retention in the Tech and IT Sector

INDUSTRY REPORT

TRENDS AND HR PERSPECTIVES

Talent Acquisition and Retention in the Tech and IT Sector

The Tech & IT sector appears to be thriving more than ever; its rapid growth fueled by constant innovation and widespread adoption of new technologies (Artificial Intelligence, automation, cloud computing, block-chain, etc.) in all sectors of society and the economy.

Companies, organizations, institutions, regardless of their sector, and consumers worldwide have an increased demand for technological solutions to meet various needs, ranging from communication and entertainment to data management and cybersecurity. The Tech and IT sector is thus a powerful engine for job creation to accompany the ongoing technological revolution. New professions are emerging every day. However, this sector faces HR challenges in attracting and retaining qualified talents. Let's explore them in this report and propose solutions to address them.

I. Specific challenges in the technology and IT services sector

The Tech and IT sector is dynamic, innovative, and cross-cutting, but it still faces challenges such as skills obsolescence, a shortage of qualified talents, and intense competition to attract and retain them.

What characterizes this sector:

» Continuous Innovation: Rapid and constant innovation, with the constant emergence of new technologies, applications, and services for all sectors, leads Tech & IT companies and professionals to adapt quickly to remain

competitive. This culture of innovation and experimentation also encourages employees to propose new ideas and push the boundaries of technology.

- » Increasing demand for talent: The demand for qualified professionals in the Tech and IT sector is high and constantly increasing due to the need to develop, maintain, and secure technological infrastructures.
- » International Collaboration: The Tech & IT industry is globalized, with close international collaboration between companies, researchers, and IT professionals. Tech-IT talents are highly sought after worldwide, so companies are doubling their efforts to recruit talents internationally and open technological hubs in foreign countries. **A global talent market survey** by Andela revealed that 88% of companies are looking for the best Tech-IT talents in other countries. However, 10 countries attract more talents than others - the Netherlands, Germany, Canada, the United Kingdom, Switzerland, Sweden, the United States, Australia, Denmark, and Belgium, due to competitive salaries and a higher quality of life (**CIO**). According to the same survey, one in four technological talents (27%) works remotely.

Main HR challenges facing this sector:

- » **Shortage of qualified talent:** Despite the growing demand, there is a shortage of qualified talent in areas such as software development, data analysis, and cybersecurity, making talent recruitment and retention difficult.
- » **Intense competition:** Competition to attract and retain the best talents is fierce, with high salaries, attractive benefits, and stimulating work environments being key factors.
- » **Rapid skills obsolescence:** Technical skills (hard skills) quickly become obsolete, forcing Tech & IT professionals to continuously upskill.
- » **Evolution of the Tech-IT talent profile:** While computer skills are essential, more general, behavioral (soft skills) such as problem-solving, communication, teamwork, adaptability, critical thinking, work ethics, and attention to detail are equally important to seek and value in Tech-IT positions.

- » Invest in skills development: Provide opportunities for training and skills development. Tech-IT talents appreciate working in organizations that integrate learning into all aspects of their culture and encourage employees to invest in their own development and advancement.
- » Provide competitive benefits: Offer competitive salaries, attractive social benefits, telecommuting opportunities, and flexible working hours.
- » Promote a strong corporate culture focused on innovation, collaboration, and professional development.
- » Foster a collaborative work environment that encourages creativity, risk-taking, and initiative.
- » Develop personalized career plans and provide internal mobility opportunities.

Integrate psychometric assessments into Tech-IT talent recruitment and development.

HR professionals must be able to assess the behavioral skills required in this sector, which now make all the difference. Candidates will seek to highlight them and will see value in having them assessed during the recruitment process. According to a BCG survey on the perception of different selection methods used during the recruitment process, Tech-IT sector candidates appreciate personal interviews with future managers (56%) and recruiters (54%), but not far behind are online personality (39%) and cognitive ability tests (39%).

The use of psychometric tests that are reliable and designed according to rigorous scientific standards, to assess behavioral skills will also be well perceived:

- » Offer stimulating and interesting projects that allow working on cutting-edge technologies and tackling technical challenges.

- » Critical thinking assessment tests to measure candidates' ability to step back, identify and analyze problems, and seek and evaluate

II. Solutions and Best Practices

Some tips to attract Tech and IT talent

Here are some solutions and best practices to attract and retain talent in this sector:

information to draw relevant and logical conclusions and make better decisions.

- » Cognitive ability or intellectual aptitude tests to assess their intellectual, learning, and adaptability potential, their abilities to analyze data, grasp new concepts, reason, and solve problems by seeking innovative solutions.
- » Personality inventories to learn more about their relational skills in communication, cooperation, collaboration, and leadership.
- » Career planning tools can also help develop professional projects that consider their key interests and motivations to better retain them within the organization.

Of course, these skills can also be assessed and developed in employees already in place.

The Tech-IT sector attracts many workers due to its dynamism, constant and rapid evolution, and transversality, its usefulness to all sectors of activity. Recruiters must redouble their strategies to attract and retain talents in this market. The very evolution of the labor market combined with the more pronounced skills obsolescence in this sector requires them to reconsider their approach to talent acquisition and retention. A striking fact is the emphasis on the evolution of behavioral skills (soft skills) in addition to technical skills (hard skills). To assess these areas, HR professionals will find benefit in including psychometric tests in their recruitment and skills development processes, as they help to guarantee success in selecting the best talent.



Want to Learn More?

If you want to learn more about psychometric assessments and how they can improve your talent acquisition process, reach out to the Pearson TalentLens team today.

About TalentLens

TalentLens is a core component within the newly established Workforce Skills division of Pearson plc, the world's lifelong learning company and global market leader in assessments. Workforce Skills is comprised of TalentLens - Pearson's established and successful workplace psychometrics team, plus two exciting new acquisitions, Faethm AI – the world's first data backed and truly end to end future of work company and Credly, the global leader in digital credentials.

Supported by over 70 years of research, our psychometric tests, such as the Watson Glaser test, are used by hundreds of companies around the world for their employee recruitment and development projects. As experts from the business world, our primary objective is to provide you with ongoing assistance to review your practices, understand and define your needs, and support you in choosing and using our assessment solutions.