



# 5 Strategies for Attracting, Retaining and Growing Your Tech Workforce

Whitepaper

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# Executive Summary

In every industry, technology and digital experiences have been woven into work. Likewise, technology has become embedded in nearly every facet of our personal lives. All of the businesses we interact with, whether as workers or consumers, need (or will soon) significant tech capabilities.

That's why it's become conventional wisdom that **"all companies are tech companies."**

And that means that all companies must attract, retain and grow a technology workforce. However, with shortages of tech workers projected to grow in the next few years, attracting and retaining the technology talent your organization needs will become more challenging.

In this whitepaper, we'll examine five keys to attract, retain and grow your tech talent pool in an era when the pace of change is faster than it's ever been. We'll explore the highly competitive and rapidly changing nature of technology work and the tech workforce and outline five areas of focus for organizations seeking to strengthen their tech workforce.

We'll also cover tools that can help you gain a better understanding of your existing tech workforce, forecast what workforce skills you'll need to add in the near future, and make the best decisions on who to hire and how to retain and upskill them.

## Tech Workforce Challenges

### Global tech worker shortage

- » **2020** 1.2 million workers / **\$112.2 billion lost economic output**
- » **2025** 2.1 million workers / **\$213.5 billion lost economic output**
- » **2030** 4.3 million workers / **\$449.7 billion lost economic output**

Source: [The Future of Work: The Global Talent Crunch](#)

Technology is one of the largest and most important industries in the world. The tech industry **employs an estimated 12.2 million people** according to industry association CompTIA. Globally, **information technology is ranked as the sixth biggest industry** in the world.

The industry is poised to continue growing. Artificial intelligence, automation and other emerging applications, plus the digital transformation of virtually all sectors of the economy, mean **tech workers will continue to be in high demand**. But there aren't enough workers to meet that demand. By 2030, a Korn Ferry study projects there will be a tech talent short of **4.3 million workers globally**.

In the U.S., just 8% of tech roles could be automated with new or emerging technology. That means that technology itself isn't going to solve



the growing tech worker shortage, and upskilling and reskilling will remain critical. Employers will face more pressure than ever to recruit, retain and grow their own tech talent pools. Here are five strategies to develop a strong tech workforce.

## 1. Remove Barriers to Recruiting

Employers of choice will develop candidate-friendly processes for recruiting and hiring. This means a focus on verified skills, rather than broad credentials such as degrees.

IBM, for example, doesn't require four-year degrees for many of its positions and is hiring significant numbers of people without tech degrees into technology roles. Instead, the company has focused on people who've acquired tech skills through other paths, such as boot camps and self-paced online learning. Digital badges to verify these credentials are important for these candidates.

It also means implementing systems to ensure the right people are hired for given roles. Tools such as Pearson TalentLens can help organizations assess candidates for particular roles, predict their performance and understand the role-specific competencies.

## 2. Push Upskilling and Career Growth

Technology skills are ever changing. Research suggests that some specific technology skills have a half-life of just 2½ years. Even "semi-durable" skills in the industry have a half-life of less than 7½ years. Over the course of a career, technology professionals can expect to have to learn entirely new skills multiple times.

Organizations need to monitor the tech skills landscape by understanding what emerging skills they'll likely need in coming years. A tool like Faethm, that uses AI to analyze real world job skills data, can help companies look ahead.

Meanwhile, digital credentials platforms such as Credly Acclaim provide reliable data on the skills employees already have.

This skills-based data can help companies see what new skills their workforce will need, and then develop upskilling initiatives to meet those requirements. A growing number of companies are incentivizing employees to learn new technical skills in an effort to strengthen and enhance their technology workforce from the inside.

## 3. Offer Flexible Work Arrangements

Sometimes working at home is more convenient; sometimes it's easier to work with colleagues in the office. Work from home policies have become commonplace, and many employers now offer hybrid workplace policies, where employees aren't required to come into an office every day.

Workplace flexibility is a top priority for tech workers, with 46% of them saying they would consider leaving a company that no longer offers flexible working arrangements. Given the growing shortage of tech workers, this means employers need to be flexible about where workers sit each day.

## 4. Prioritize Perks and Boost Benefits

It's still a job, and employees still want to be rewarded for their work. That means good pay AND good benefits. For many companies, health care benefits and retirement plans are just the beginning. Time off, recognition, an inclusive and welcoming environment for workers with diverse backgrounds and other workplace supports are critical.

In a survey of 500 tech workers and 230 enterprise technology organizations, insufficient rewards and recognition for their work was cited as one of the top three reasons to start looking for another job. (The other two reasons: lack of

learning and growth opportunities, and lack of flexibility.)

Big tech companies have historically offered a **variety of unusual perks and benefits**. For example, Airbnb gives employees a \$2,000 travel credit each year and Facebook parent Meta has on-site health and dental clinics at its California headquarters. Younger employees may have different interests than previous generations when it comes to benefits. Gen Z workers, **according to SHRM**, expect mental wellness support from their employers.

## 5. Provide Purpose

When employees go to work, they bring their whole selves as human beings. Increasingly, they want employers who provide a sense of purpose and values as part of the job. This isn't just about employee retention, it's also about employee productivity and company performance.

According to McKinsey research, **70 percent of employees said their sense of purpose is defined by their work**. When workers feel their purpose is aligned with the organization's purpose, they are more engaged, more loyal and more willing to recommend their employer to others.

Two Harvard Business School researchers found that when employees had a sense of purpose at work, paired with clear directions and expectations from their leaders, those companies **outperformed the stock market by 6.9%**.

When employees don't feel a sense of purpose at work, **they are more likely to consider leaving their jobs**. Tech workers, who are in high demand, can more easily leave their jobs and be confident they'll find a new one. For employers, being able to provide a sense of purpose and meaning at work is integral to attracting and retaining tech talent.



## How skill-aware is your organization?

Score your company to find out how skill-aware it is and how prepared it is to recruit, retain and grow a strong tech workforce.



	0 points	1 point	2 points	3 points
<b>Do you have robust, verified data about what skills your workforce has now?</b>	No. We have no real data on this.	We have some skills data about some employees, but much of it is not verified.	We have verified skills data about some employees but are missing segments of our workforce.	We have verified skills data, based on digital credentials, for our entire workforce.
<b>Do you have robust, verified data about what skills your workforce has now?</b>	We don't even have skills data to begin with, so no.	We have some skills data, but no way of reliably visualizing it or analyzing it.	We can analyze data for some departments and teams, but we are still missing many of our workers.	We can analyze and visualize skills data at all levels of the organization.
<b>Do you know what skills and traits distinguish your top performers from the rest of your talent pool?</b>	No. We have no real data on this.	Only anecdotally, based on individuals and their managers.	We have some clues about what distinguishes top performers, but we don't have a complete picture.	We have well-developed profiles of our top performers based on their skills and other traits.
<b>Are you forecasting your future tech skill needs?</b>	No. We rely on hiring managers to tell us what they need.	We gather anecdotal information from trade press and hiring managers.	We try to forecast our skills needs for specific near-term projects.	We have data on how our industry is changing and what that means for our future tech skill needs.
<b>Have you mapped the gaps between your current workforce skills and your future needs?</b>	No. We have no real data on this.	Only for specific projects.	We have a general idea about our future skill needs, but we don't know exactly how big the gaps are between what our workforce has now and what it will need.	Yes. We have a comprehensive map that shows our current skills, our future needs, and the upskilling paths employees can take to bridge the gap.
<b>Have you developed an upskilling strategy to support your company's tech strategy?</b>	We don't have any kind of upskilling plan.	We only provide upskilling when we get a specific request from a manager or executive.	We have some tech upskilling programs, but they aren't comprehensive.	Our upskilling strategy is regularly updated to ensure it stays aligned with overall business and digital strategy.
<b>TOTALS</b>				
<b>GRAND TOTAL:</b>				

## If your organization scored ...

### 0-6

You have little information about the technical skills of your existing workforce or what you'll need in the future. This makes it nearly impossible to plan high-impact upskilling programs or know what skills you should be looking for when hiring.

**Talk to sales about building your skills data.**

### 7-12

You have some information about your workforce's tech skills, your future needs and what distinguishes strong performers from others. Congratulations, that's a good start. However, there are gaps in your data — blindspots that lead to the wrong upskilling investments or leave your company vulnerable to competitors in the fight for talent. **Talk to sales to learn how you can gain a more holistic and comprehensive view of skills across the entire enterprise.**

### 13-18

Congratulations! You have a very strong grasp of your workforce skills, allowing you to plan high ROI upskilling initiatives and target the talent and skills you need for the future. You are probably in a stronger position than many of your competitors. To further strengthen your position, consider the questions you had lower scores on. Would **Faethm**, to forecast industry skill trends, or **Pearson TalentLens**, to profile high-performance skills and traits, further strengthen your workforce? **Talk to sales to learn more.**

## Tools to Build Your Tech Workforce

### Acclaim

The industry leading Acclaim platform provides employees and employers verified digital credentials. Digital badges on this platform also serve as a motivational tool, incentivizing learning and further engaging workers.

### Faethm

Faethm data services enables organizations to understand their workforce skills, capabilities, and evolving future skills requirements.

It will also help uncover where your industry is going. Highlighting valuable insights on economic and technological trends for complete understanding of potential future scenarios. This helps your organization stay ahead by informing strategic decisions with reliable data.

### Pearson TalentLens

TalentLens helps you assess job candidates against job requirements and better predict employee performance. This improves managers' ability to make the best hiring decisions.

Together, these applications provide a powerful platform to understand your workforce, attract top talent, retain employees and grow company capabilities.

### **About Pearson Workforce Skills**

Pearson is the world's leading learning company. We have a simple mission: to help people make more of their lives through learning. We know the world of work is changing fast. We help workers gain the skills they need to boost their employability and unlock new job and career opportunities. We also help employers understand, maintain, and enhance the value of their most important asset – their people. We're helping companies by offering talent solutions to address global skills gaps and evolving business demands. Empower your workforce and unlock your organization's true potential with Pearson.

[Contact us to get started.](#)