

IT WORKFORCE UPDATE

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TO BUILD GREAT COMPANIES

Presentation Overview

- Overall Market Conditions
- Workforce Demographic Trends
- IT Workforce Trends
 - National
 - South Carolina
- Innovation in Recruiting

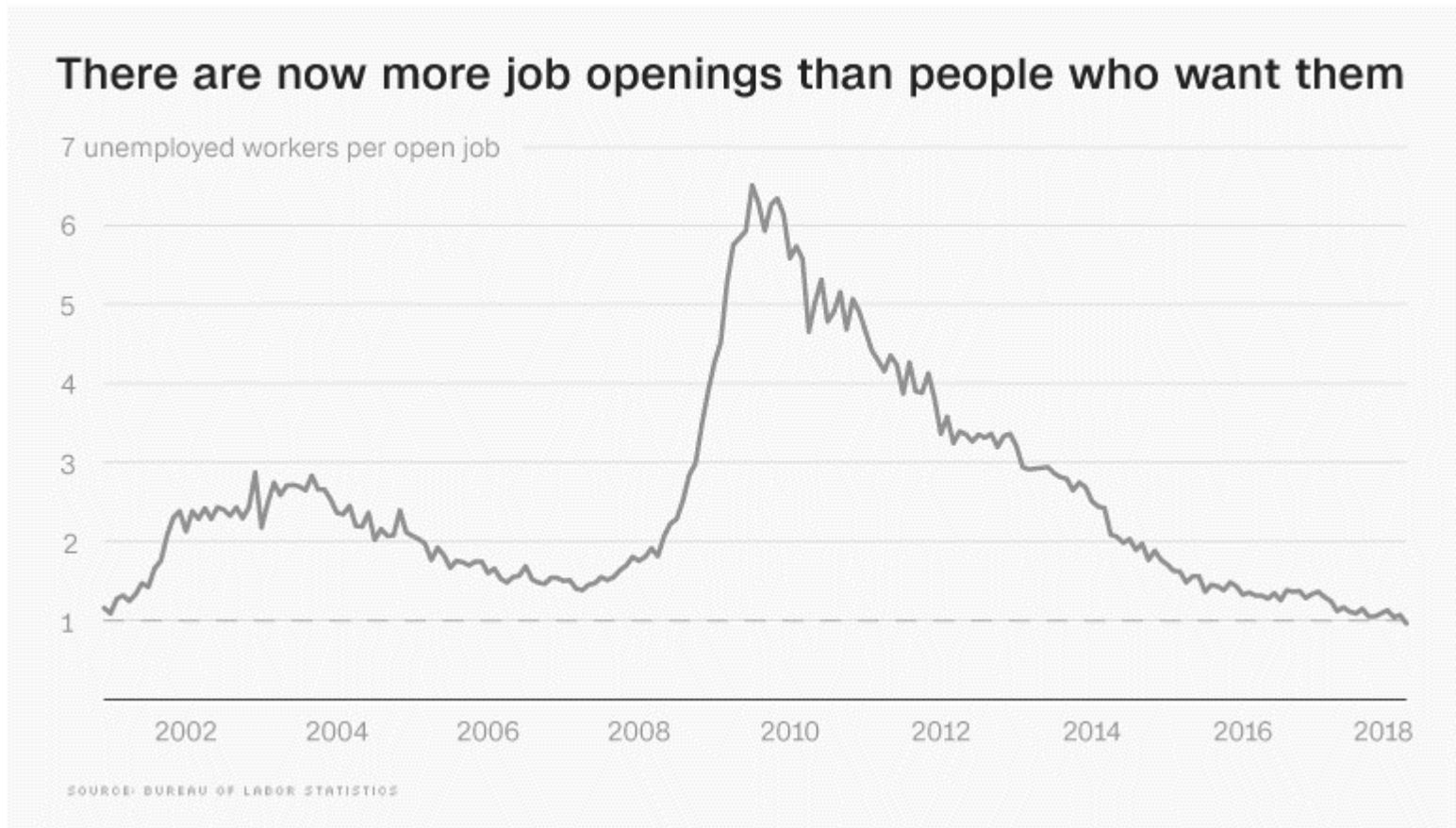




Overall Market Conditions

There are **7.1** million job openings and just **5.8** million available workers to fill them, according to the Bureau of Labor Statistics.

Updated October 2019



Unemployment Rates

2018

3.9%

Nationally

2019

3.5%

Nationally

2019

2.9%

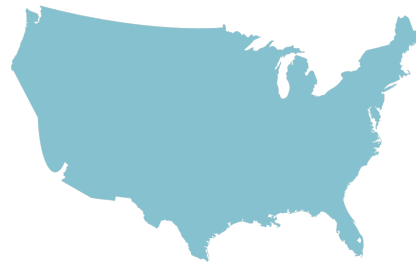
South Carolina

As a result of unemployment and current market conditions, salaries have increased, resulting in the **most competitive** job market in **decades**.

Labor Participation Rates

United States

63.2%



US Perspective: 1950 – 2019

Lowest – 58.10 (1954)

Highest – 67.30 (2000)

South Carolina

57.9%



SC Perspective: 1950 – 2019

Lowest – 57.60 (2018)

Highest – 68.50 (1993)

Labor force participation rate:

The section of working population ages 16-64 currently employed or seeking employment.

Source: Bureau of Labor Statistics

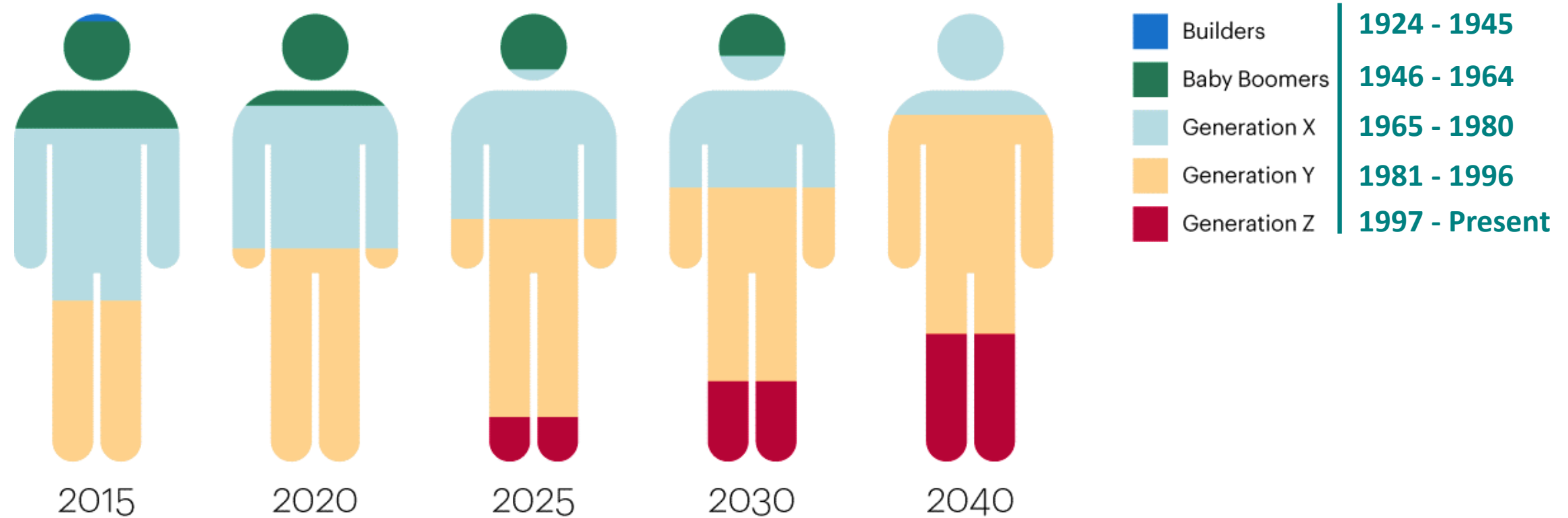
Labor Participation Projections

The US labor force participation rate is projected to be around **62.9%** in 2020 and **61.2%** in 2028



Workforce Demographic Trends

Generations in the Workforce



Source: US Census Bureau

Current workers among the Baby Boomer generation continue to reach retirement age at a pace of about **10,000 per day**.



While the U.S. has an aging population and workforce, millennials are expected to make up **50%** of the workforce by **2020** and **75%** by **2025**.

Millennials in the Workplace

- 41% of millennials expect to be in their current job for **two years or less**
- Millennial turnover costs the U.S. economy **\$30.5 billion** annually
- 52% of millennials viewed the concept of employee loyalty as being **overrated**

IT Professionals in the Workplace

26% of IT professionals plan to find a new employer in 2019

IT Millennials in the Workplace

33% of millennial IT professionals plan to find a new employer in 2019

IT Professionals: Why They Leave

- #1** looking for a better salary
- #2** looking to advance skills in a new gig
- #3** looking for better work/life balance
- #4** looking for a role with more prioritization on IT
- #5** experiencing burnout
- #6** looking for more job training

IT Millennials: Why They Leave

Millennials are **more likely** than other generations to seek new employment to:

- Get more **training**
- Find work at a company with a **bigger IT budget**
- Land a better **job title**



IT Workforce Trends

National Perspective

- In 2018 IT employment reached **11.8 million jobs**, with **261,000** added in past year
- The national % of workforce employed in IT is **7.6%**
- The IT industry has a **\$1.8T** direct economic output, representing **10.2%** of the national economy.

* The dollar value of goods and services produced during a given year - this ratio compares the estimated economic impact of the tech industry relative to the overall state economy.

South Carolina Perspective

- In 2018 IT employment reached **128,521 jobs**, with 4,028 jobs added from the previous year.
- South Carolina is ranked **34th** in % of workforce in IT at **5.8%**
- The IT industry has a **\$13B** impact on the South Carolina economy, with **6.3%** share of overall economic impact.

*The dollar value of goods and services produced during a given year - this ratio compares the estimated economic impact of the tech industry relative to the overall state economy.

IT Remote Workforce

- **57%** of the IT Industry in the US is now remote. IT takes the **#2 spot**, behind the transportation industry at 61%
- IT workers are the **top paid** remote workers
- Software Developers are within the **Top 5 Remote** jobs, with **24%** growth expected by 2026

Top 5 IT Skills in Demand

By Company Size

1-99 Employees

1. IT Security/Cybersecurity
2. Infrastructure Hardware
3. End-user Hardware
4. Networking Solutions
5. Storage & Backup

100-499 Employees

1. End-user Hardware
2. Infrastructure Hardware
3. IT Security/Cybersecurity
4. Software Deployment
5. Networking Solutions

500-999 Employees

1. IT Security/Cybersecurity
2. Database Solutions
3. DevOps
4. Software Deployment
5. Data Analysis

1,000-4,999 Employees

1. IT Security/Cybersecurity
2. Data Analysis
3. End-User Hardware
4. Infrastructure Hardware
5. DevOps

5000+ Employees

1. IT Security/Cybersecurity
2. AI Tech/Management
3. Networking Solutions
4. Cloud Architecture
5. Database Solutions

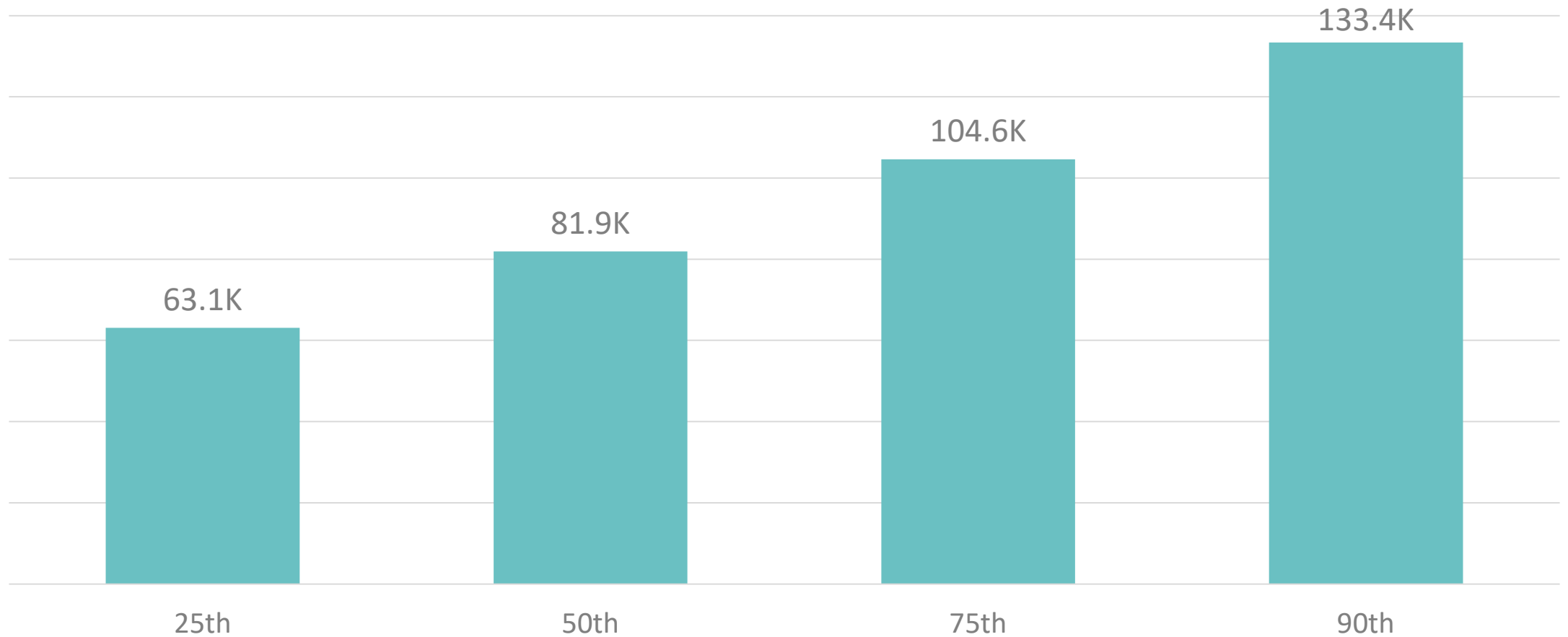
Technology Skillsets in Demand

- Anticipated by 2028:
 - **12.2%** increase of all **technology skillsets**
 - **31.6%** increase in **info security analysts**
 - **25.6%** increase in **software application developers**
- Information security analysts are the **#6 fastest growing** occupation in the United States at **31.6%** anticipated growth between 2018-2028.

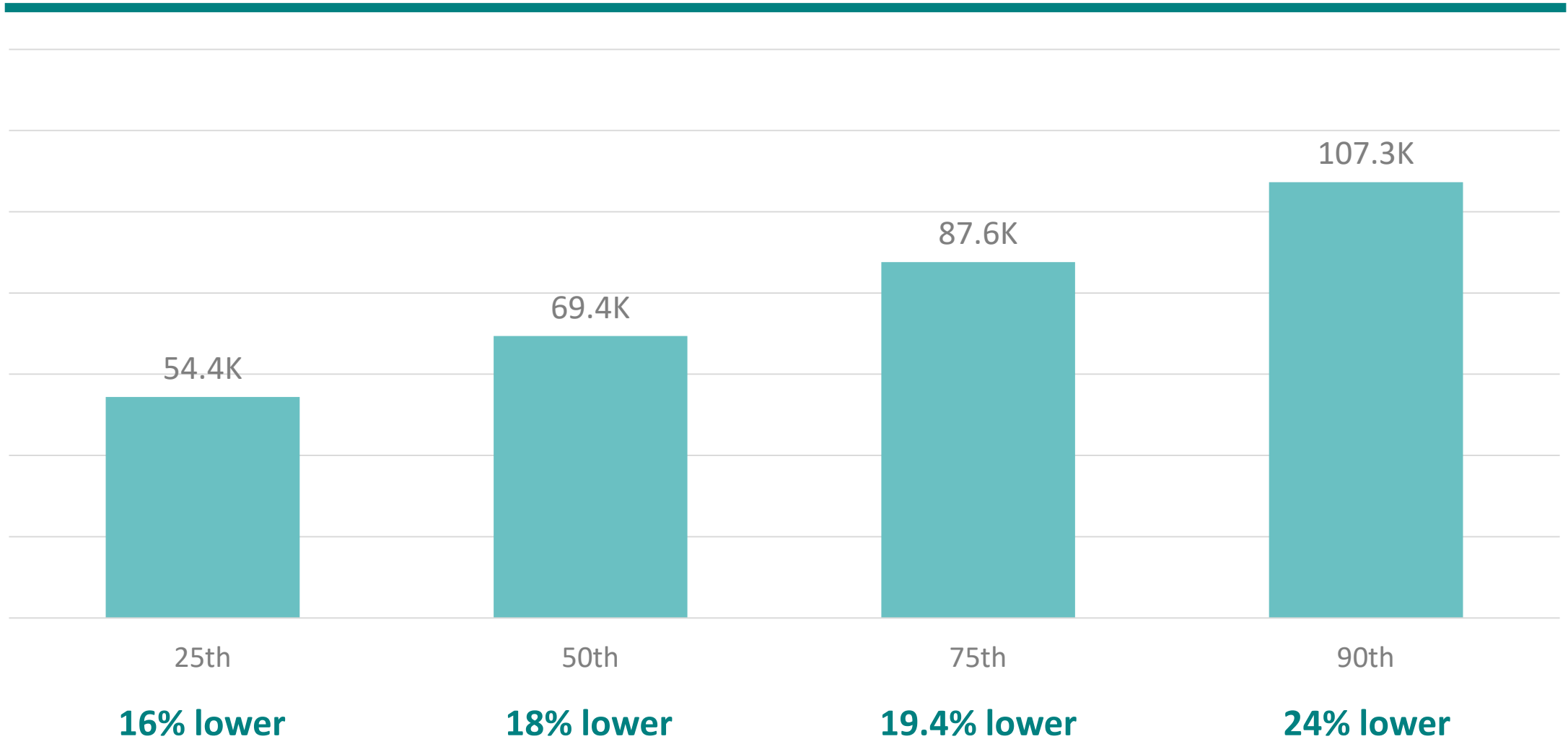
The Technology Talent Gap

- As technology evolves, the shelf life of skills is getting shorter, with **30%** of companies reportedly facing a **skills gap** within their IT team members.
- Companies need to invest more in **educating and training** their IT workforce to maintain skillsets and capacity.
- By 2019, **90%** of large organizations will have a **Chief Data Officer**, and their involvement in organizations will continue to grow.

National Tech Occupation Wages



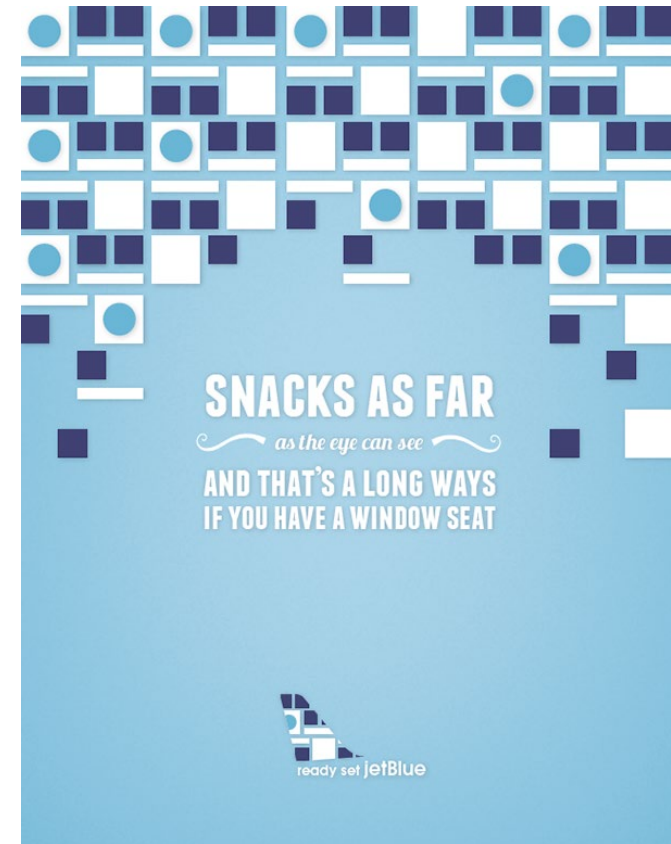
South Carolina Occupation Wages





Innovation + Recruiting

Position Your Company Differently



Kayak Job Post



Benefits and Perks:

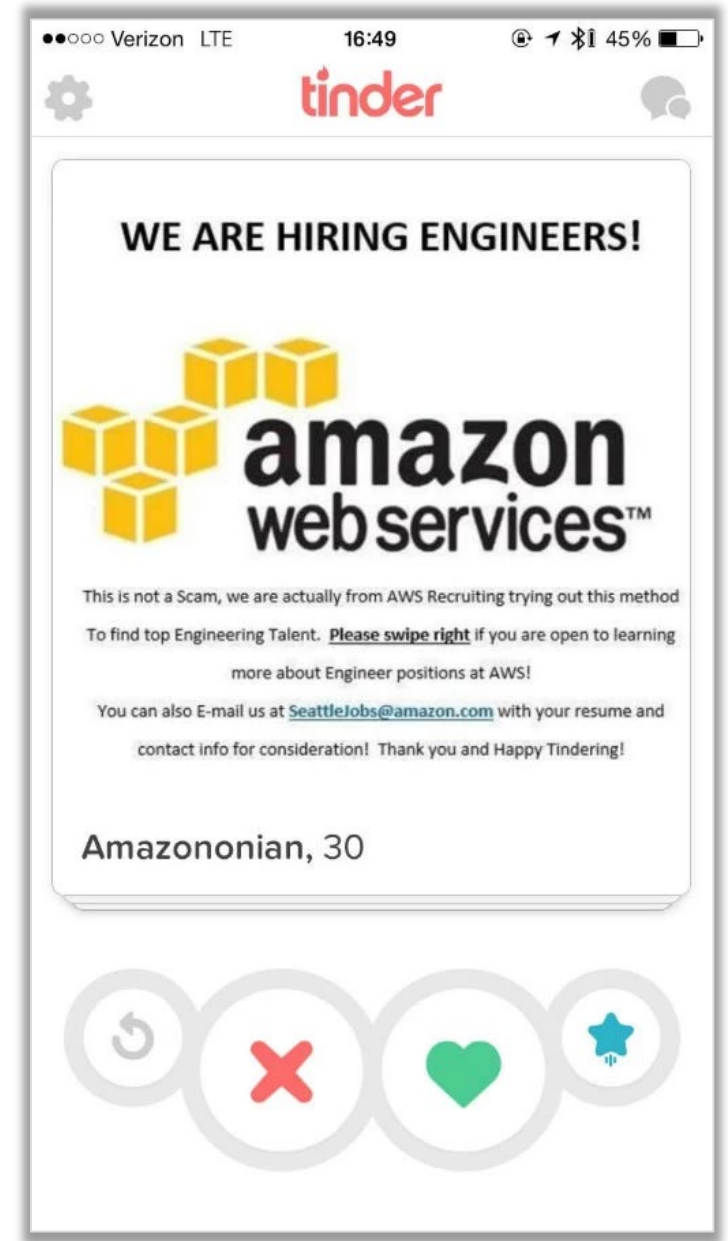
- 4 weeks paid vacation
- Day off on your birthday
- Generous retirement plans
- Awesome health, dental and vision insurance plans
- Flexible spending accounts
- Drinks, coffee, snacks, games, etc.
- Flexible hours
- **No stupid meetings**
- Free massages from professional masseuse
- Regular team events/excursions

McDonalds Leveraging Technology



Innovate Your Approach

- Go where candidates **are**, and competition **isn't**
 - Tinder – Amazon
 - Spotify – Goldman Sachs
 - Niche Job Boards
- Don't get lost in the crowd
 - Career Builder
 - Monster
 - LinkedIn
- 100% **mobile** friendly website & applications



AI for Recruiting

- AI is being used in recruiting to **streamline** or **automate** tasks that are otherwise repetitive and time-consuming, such as:
 - Screening **resumes** based on job description analysis
 - Screening **job descriptions** to identify potentially biased language
 - **Sourcing candidates** via online databases/websites

Innovations in AI for Recruiting

- Intelligent screening software
 - Software can learn which candidates **previously** moved on to become **successful or unsuccessful** employees based on performance, tenure, turnover
 - Applies knowledge of successful candidates' **skills** to **future applicants** to shortlist strongest potential candidates

Innovations in AI for Recruiting

- Recruiter **chatbots** to improve candidate experience and timeliness
- Digitized interviews
 - Can assess candidates' word choices, speech patterns, and facial expressions to evaluate their **potential fit** for role or organization and culture.

AI for Recruiting Data

- **59%** of US companies plan to increase their HR AI usage this year
- **40%** of US companies use chatbots to engage with candidates during recruitment
- **58%** of hiring managers believe AI is most helpful for sourcing candidates, and **56%** believe it is most helpful for screening candidates

Thank You!

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