



Pareto

A Randstad company

Pareto Project Solutions Whitepaper

Realising The Potential Of Emerging Talent In Tech

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Realising the Potential of Emerging Talent in Tech

Tech is an industry that goes through constant change and transformation, a field always eyeing the latest innovation and growth opportunities. To achieve this consistent progression comes a demand for talent. However, the tech industry is an ageing workforce, and people with experience and expertise are few and far between.

So, as a Head of IT or Change and Transformation, what alternative solution do you have to solve your hiring needs? How do you ensure you're growing

your business and supporting the next generation of tech experts? We believe a leading solution to this pain point is to unlock the potential of entry-level talent - the talent we refer to as 'emerging talent'.

This insight covers the recruitment and resourcing challenges facing the tech market, why emerging talent is often dismissed, and the impact and benefits emerging talent can have on tech businesses. By the end of this insight, you will realise the potential of emerging talent.

The Challenges of Finding Top Talent in Today's Tech Market

Tech job opportunities have reached a 10-year high over the past two years, as TechNation's People and Skills report 2022 revealed.

The same report noted that **more than 2 million tech vacancies** were open in the UK between May 2021 and 2022, more than any other industry. These statistics appear to shine a positive light on the tech industry; however, they pose further challenges for Heads of IT and Change and Transformation experts.



**> 2 MILLION
TECH VACANCIES**

WERE OPEN IN THE UK BETWEEN
MAY 2021 AND 2022



The Digital Skills Gap

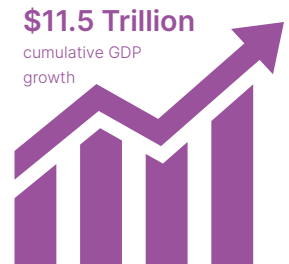
The overarching challenge is the huge digital skills gap. There simply isn't enough talent in the market for businesses to fulfil business change and technology requirements.

A swift shift to adapt to remote working highlighted the importance of digital and made the working world aware of how reliant we are on technology. This transformation affected all businesses across all industries. Every business is now having to do more change, more projects, and more delivery at an ever-increasing velocity. Every company is now becoming a digital business, and change and innovation are no longer a choice; they are necessary.

If a business doesn't have the skills to enable your change and transformation programmes to deliver

at the velocity needed, you will fall behind rapidly and quickly find your business can't keep up with the competition.

An insight from Rand/ Salesforce states that many G20 countries could miss out on **\$11.5 Trillion** cumulative GDP growth due to the digital skills gap.



With this, many Heads of Change and Transformation fear the limited access to talent will result in their business falling behind the competition.

A Competitive and Expensive Market

Increased demand for sought-after tech talent has created a competitive market. Not only competitive but expensive as well. In the UK, **tech salaries are almost 80% higher than salaries for non-tech jobs**. Organisations that can afford to offer the highest wages with the best work-life balance prosper, at least in the short term. But how sustainable is this business model?



ALMOST **TECH SALARIES ARE**
80% HIGHER

COMPARED TO SALARIES
FOR NON-TECH JOBS.

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If it was easy to find high calibre, experienced people at a palatable cost point, you wouldn't hire emerging talent. But the problem is it's not as easy as that.
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Experienced resources in the market are expensive as supply and demand drive the cost to deliver change higher and higher. That's the main challenge. Finding people with the right skills in the market is tricky, and the competition is fierce. Experienced talent is expensive, and they're getting more expensive. So how sustainable is that as a model, and what are the alternatives to traditional resourcing?

Unless you're an organisation with a near-unlimited budget, you can't afford to keep hiring tech talent who are on huge salaries, you need an alternative solution, and that solution could be emerging talent.



Why Emerging Talent Has Been Dismissed Historically

Often, there are preconceived ideas about what emerging talent is capable of. When making new hires, tech organisations typically search for experienced hires over inexperienced graduates and emerging talent. Many tech businesses assume that hiring emerging talent will require more hand-holding and management overhead, meaning time will be taken from the rest of the team. With this, some companies also feel they don't have the infrastructure, resources, budget or graduate-related scheme to invest in inexperienced hires.

There are some roles where experience and subject matter expertise are non-negotiable. However, it's proven in the market that there is a time and a place for this emerging talent model. You will not be utilising emerging talent to be your Programme Directors, but they can come in to support the less intricate delivery elements of the roles that don't require aspects of subject matter expertise and provide a blended resource approach.

Typically, hiring emerging talent is considered more of a risk, but arguably any hire you make is a risk. Of course, certain roles require specific skill sets and experience, but this doesn't mean emerging talent can't be of any value to your business.

“Some of the most common feedback we get in Project Solutions is the graduates and emerging talent are much more capable than expected. They can pick up more responsibility than we initially thought.”

Hiring experience doesn't guarantee that you are hiring quality. There's a lot of mixed quality in the market. An individual may have five to ten years of experience on their CV, but at Pareto, we've seen that it doesn't always translate into delivery capability. Ultimately, you will limit your business's potential if you solely focus your hiring efforts on experienced talent.

How Emerging Talent Can Impact Your Tech Business

Emerging talent has the potential to have a massive impact on your tech business, both in the short term and long term. From freeing up your experienced team members to creating a future talent pipeline, we've outlined two of the most significant impacts emerging talent can have on your business.



Free up Your Experienced Team Members

Hiring emerging talent can give you immediate delivery capability at a lower level, releasing the time of your more experienced and technical people.

Any business should strive to make its team more efficient. So, suppose your experienced staff could add more value to your business in another area.

In that case, rather than overpaying employees to complete basic tasks, you can have them focus on more technical projects whilst your inexperienced recruit picks up the less intricate duties requiring limited technical expertise. These tasks that don't require expertise or years of experience could be reporting, process mapping, or business requirement gathering.

Create a Future Talent Pipeline

One of the most significant impacts emerging talent can have on your business is by helping you to introduce a future talent pipeline. As a result, you will be able to structure your business better and include levels of progression. Essentially your emerging talent will come into your business at a lower level. Then, with training and experience, they will move their way up to mid-level and eventually to the highest level of your organisation.

Your emerging talent can join your organisation at the bottom of your pipeline, completing more basic entry-level tasks like reporting, process mapping, raid logs, and producing slide decks.

Then, the more experienced talent you were once overpaying to do these tasks will move up to focus on more technical duties until they reach more senior positions. Once the emerging talent acquires the skills and experience, they will move to middle and eventually higher-level roles.

When you realise the impact emerging talent can have on your organisation, your business will become leaner in the short term and more structured in the long term.

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Emerging talent will allow you to start building a pipeline of future talent for your business who are coachable, mouldable and driven.
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The Benefits of Hiring Emerging Talent

We've looked into emerging talent's impacts on your tech business, but what else can they bring to your organisation? We've outlined some key benefits you will gain from hiring emerging talent.



Free up Your Experienced Team Members

Millennials and Generation Z talent has grown up in a world where tech has been the norm. As a result, these individuals are more autonomous and capable of utilising today's technology to find an answer to something they don't know and can find solutions to problems they are trying to solve.

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Emerging talent is more autonomous. These people grew up with access to infinite information on the Internet, and therefore are often very good at being proactive and finding the answers.
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Emerging Talent Are More Motivated and Mouldable

Consider emerging talent as individuals you can mould into the professionals you need for your business. Emerging talent is eager to impact your company immediately and is motivated to prove themselves, even if this means starting at the bottom of the career ladder. Emerging talent tends to be highly motivated to learn, with a strong

career focus. Unlike experienced professionals, emerging talent comes with no bad habits or preconceived ideas. Instead, they are desperate for an opportunity and hungry to learn more about the tech industry and how they can develop their careers.



A Cost-effective Solution

We alluded to the high costs of tech salaries compared to non-tech jobs. So, suppose your business needs to make 30-40 tech hires; unless you have an unlimited budget, you can't expect to hire just experienced individuals. Alternatively, the salaries of emerging talent will be significantly less, and you can put any saved money towards training to enhance the skills of your inexperienced recruits. Being cost-effective both at the beginning and throughout that process, if you're growing your own talent instead of going to the market, it's always going to be more cost-effective.

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Bringing new people in provides more innovation, creativity, and different perspectives on delivering projects.
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Overall, bringing emerging talent in at the bottom of your business, and offering training and support, is a more cost-effective solution than solely relying on the experienced side of the market.

Increases Diversity Within Your Tech Business

Diversity is not a common buzzword associated with the technology and transformation space regarding gender, social mobility and background. Increasing diversity is complex at an organisation's mid to top levels unless your talent has grown through the ranks. With emerging talent, you can increase the diversity within your business and

provide talent, who are typically overlooked or not given a chance to prove themselves, the platform to develop within your organisation from the ground up. Utilising diverse emerging talent will also support your future talent pipeline, supporting the structure of your business as you advance.

How To Get the Best Out of Emerging Talent

We've deciphered three key elements to focus on when you hire emerging talent. If you follow these three points, you will reap the rewards and get the best out of your emerging talent and the levels of your talent pipeline.



Offer Support and Training

Although emerging talent will come into your business with valuable soft skills and the ability to complete less intricate tasks, some will still lack the digital skills needed to progress further within your talent pipeline. In addition, you can't expect your talent to be successful solely from on-the-job experience. They will need specialist training to help them grow. Therefore, you must provide consistent support and training; otherwise, your emerging talent will likely fail in the role you offer them.

In these more entry-level roles where they're doing the less intricate tasks, emerging talent will often have the skills you can't teach. But in addition, they will have an innate attitude, drive to learn, behaviour and personality. This will take them a long way. And if you can meet them halfway by giving them the development and the subject matter expertise, that's the recipe for success.

If you have the resources, you can train your talent internally. Here a qualified member of your mid-level or senior team can host group or one-to-one sessions with your talent, honing in on the skills they will need to be successful in their role.

Provide Clear Career Development

Career progression and development are going to be important for you to not only attract the talent but also retain that talent. And it does create a sustainable pipeline of people for you rather than just that short-term hits of delivery capability.

Therefore, you should develop a progression plan within your tech department or business. It would help if you created a path from the low-end roles to the highest positions you offer. This path must include clear steps and milestones for your talent to progress through the ranks.

“ Emerging talent does need support, they need pointing in the right direction, and they need development. But they don't need hand-holding...”

On the other hand, suppose you don't have the resources. In that case, there are plenty of training providers, like [Pareto](#), who you can outsource to help bring the best out of your talent.

You could also provide your talent with a mentor or direct line manager who can support your hires directly. A mentor can set targets for your talent, track their progress, and help them grow. This approach can also translate to the other layers of your business. When talent of any level sees their employer investing in support and training, they will feel more valued and motivated to work for you. Ultimately, the sooner you invest in your emerging talent, the sooner they will invest in you.



Work on Your Business Values

One final way to ensure you get the best out of your emerging talent is to instil a set of business values in which your new hires can invest. Having company values is something the modern employee expects, and it can go a long way to help attract not only emerging talent but experienced hires as well. Additionally, your business values will go a long way to helping you retain talent at all levels of your organisation.

Your business values will act as guiding principles that each employee will follow and be proud to represent.

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Business values are essential and probably one that not many people talked about five to ten years ago. Today's talent wants to work for a business that's doing some good or part of the bigger picture.
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In addition, creating a set of business values will generate a sense of community within your brand, with every employee all sharing and striving towards one common goal. If you don't have values within your business, you can't expect your employees to value or care about your company.

If you don't have any business values, it's not too late to bring them into your company. However, when deciding on your values, turn to your trusted employees and emerging talent, as their input could be valuable.

Here are some examples to inspire your business values.

- ✓ **Trust**
- ✓ **Growth & Progression**
- ✓ **Respect**
- ✓ **Creativity**
- ✓ **Hard Work**
- ✓ **Innovation**

Looking to Hire Emerging Talent?

Emerging talent shouldn't be seen as the only option. Instead, it is an alternative and valuable option that offers short and long-term solutions for your business development. Of course, there will be times when you will look to hire more experienced hires, but always keep in mind the potential of emerging talent and what they can bring to your business.

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**It's never going to be all or nothing (...)
So you must find the blend to create a sustainable model for your tech business.**
”

Discover our [Project Solutions](#) offering and realise the potential emerging talent can bring your tech department or business. Alternatively, speak to George for advice and recommendations on how emerging talent can free up resources and enhance your business.



**GEORGE MELLOR**

Speak to George at Pareto, the Sales Director driving change across both fast-growing businesses and scaling start-ups.



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georgemellor

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Our insight piece features the thoughts of Pareto's Sales Director, George Mellor. Having been part of Pareto for seven years, George has an extensive background in emerging talent, change, and transformation.

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Over this period, George has seen challenges within the tech industry. From the digital skills gap, accelerated by companies going through digital transformation paths, as well as the Covid pandemic and shift to remote working over the last two years. George has the knowledge and expertise to provide insight into emerging talent, from the challenges and typical preconceptions to the impacts and benefits emerging talent can bring to businesses.

SAVE £500K PER ANNUM FOR EVERY **10 ANALYSTS** HIRED WITH PARETO

We save our clients money and reduce their reliance on contractors and consultants.

OVER £10K WORTH OF TRAINING **UPFRONT INCLUDED**

Our talent receives £10k worth of training upfront including the following industry-recognised qualifications:

1. Scrum certification
2. Foundation & Agile Practitioner
3. BCS - Practitioner Certificate in Business Analysis Practice
4. APMG - Change Management Foundation and Practitioner

