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Is There A Developer Shortage? Yes, But The Problem Is More Complicated Than It Looks
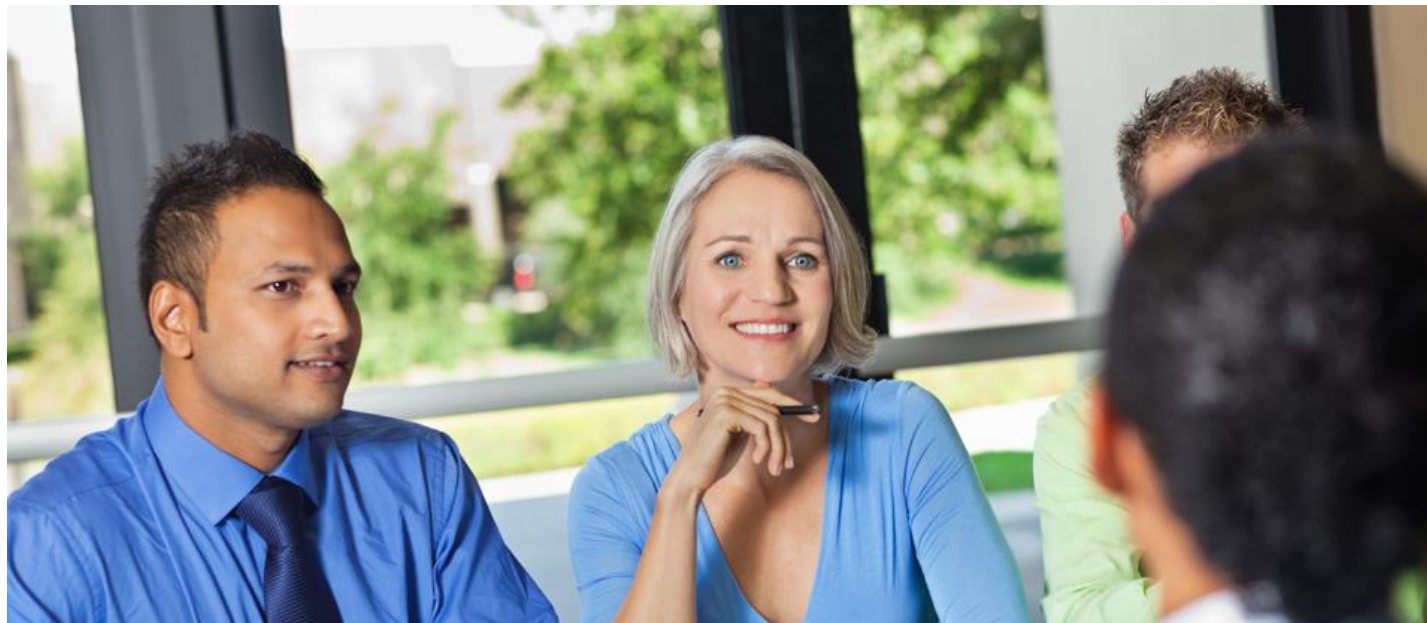
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Forbes Technology Council COUNCIL POST | Membership (Fee-Based)

Innovation

Tigran is the Co-Founder/CEO of CodeSignal, an automated technical assessment platform which helps companies go beyond resumes in hiring.

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When companies have software engineering positions that go unfilled for months, the problem can seem obvious: There are just not enough developers looking for jobs.

According to U.S. Labor statistics, as of December 2020, the global talent shortage amounted to 40 million skilled workers worldwide. By 2030, the global talent shortage is expected to reach 85.2 million. Companies worldwide risk losing $8.4 trillion in revenue because of the lack of skilled talent.

The reality, though, is more complicated than just a shortage of developers. The problem also has a lot to do with how most companies hire developers.

The Traditional Model Of Hiring Developers

It's common for developers to go through the "standard" hiring process: applying for a job through a company's website, conducting an in-person or virtual interview with a resume review, etc.

When you think of a resume, you likely think of a word or PDF document that outlines a candidate's education, previous work experience and skills — a format we've been using

for over 30 years to judge a candidate's abilities. And while this method used to work, reviewing resumes can come with an enormous amount of bias.

If a top programmer didn't attend an elite university, how can they prove their chops to potential employers? According to survey data from Stack Overflow, some 87% of developers said they have taught themselves a new language, framework or tool without taking a formal course. A 2017 Indeed survey found that 80% of U.S. tech managers have selected a candidate who has graduated from a **coding** boot camp program, and 99.8% of those same managers said they would hire similar candidates again. Of the 1,000 people surveyed, "72% of respondents consider bootcamp grads to be just as prepared and just as likely to perform at a high level than computer science grads. Some go further: 12% think they are more prepared and more likely to do better."

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Recruiting influencer Hung Lee once said, "Prestige hiring, or credentialism, as it's sometimes called, drastically reduces the total addressable market of candidates, and is likely one of the primary reasons for the 'tech talent shortage'. We're making false-positive decisions by hiring developers with name-brand employers on the CV, and we're making false negative decisions by rejecting developers who don't."

In short, a simple resume review in today's competitive job market just isn't enough for fair, unbiased recruiting. Companies should strive to look beyond resumes in an effort to take their hiring practices one step further.

Rethinking The Developer Shortage

Ideally, recruiters and hiring managers would have enough time to meticulously review every resume that lands on their desks and conduct in-depth interviews to better get to

know each potential candidate and assess their qualifications. However, is it more likely that companies are sifting through piles of applications quickly to narrow down the list of potential candidates in order to fill an open position as soon as possible.

This gives companies two options: Either they can scan resumes quickly and make snap judgments about each candidate based on a piece of paper or they can use software that tests candidates for the exact skills needed for any given job. Skill assessments measure a candidate's qualifications objectively without resume or pedigree bias that often creeps in during the interview process.

A coding assessment should be the first step in the hiring process no matter the role a company is hiring for. Organizations can use template coding assessments or they can customize them to fit their exact needs. Threshold or scoring parameters can also be set to give companies a better look at which candidates are meeting their exact specifications.

Additionally, structured interviews with a consistent set of job-relevant questions, phrases and evaluation metrics are a great way for employers to predict how a candidate will perform on the job. And the great news is there are several tools available to help companies do this.

The Future Of Developer Hiring

Solving this shortage is no easy task. There are millions of people out there who — despite not having a formal education — have achieved an admirable skill level but are getting passed over because most companies are still relying on resumes alone to tell them the full

story. In order to solve this, employers need to expand their search radius and change their hiring practices.

The global Covid-19 pandemic taught us that most companies can successfully operate a remote team, which means the location or educational parameters most organizations were working against before are practically non-existent now.

The talent is out there. We just need to find it.

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