

IT sector talent shortages in Germany

2024



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Introduction

IT sector talent shortages are hindering business performance with negative impacts on project delivery, service launches and finances.

Keller West is a specialist global IT search and recruitment consultancy that supports professionals, leaders and HR teams across all sectors. Working with our extensive network gives us valuable insight into hiring trends and candidate insights across IT and technology recruitment.

We worked with [Eureka Box](#) and [Sapio Research](#) to survey senior IT leaders and evaluate the talent landscape in Germany's IT sector. We aimed to understand the real-world impact of demand for skills in a commercial environment where competitive edge is increasingly found in technological advance.

Some highlight results include:

66%

of IT leaders in Germany have seen their businesses adversely affected by the shortage of IT talent

45%

of IT hires are unsuccessful (judged as possessing all the technical and soft skills required for the role)

60%

of respondents believe that increased investment in the professional development of their department would significantly improve its ability to contribute to commercial success

Thank you to everyone who took part in our survey. We hope you find the results insightful and useful.

*For the purpose of this research, senior IT staff are characterised as professionals earning a salary of more than €90,000 per annum.



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I Survey results

Negative impacts on business performance

Two thirds (66%) of senior IT professionals have seen their businesses adversely affected by the shortage of IT talent. The lack of talent is negatively impacting business performance with consequences including:



But existing industry talent is competent in technical and soft skills, so increased training investment could drive commercial success.

Training as a driver of performance, recruitment and retention

Our study indicated that more training and professional development could help businesses to mitigate the impacts of talent shortages:



Almost seven in ten senior IT leaders (69%) rate the quality of training available at their organisation as good or excellent



60% of respondents believe that increased investment in the professional development of their department would significantly improve its ability to contribute to commercial success

The quality of training and availability of support for ongoing professional development is becoming a vital tool in employee recruitment and retention. Employees at all levels are aware that it is essential to keep learning and develop new skills.

Besides core training requirements, we'd advise businesses to let staff learn wherever their interests take them. Technology moves so quickly and it's almost impossible to predict what skills might be needed by the business in 12 months' time.

“The quality of training and availability of support for ongoing professional development is becoming a vital tool in employee recruitment and retention.”



Ineffective hiring processes

Senior IT leaders pointed to the difficulties in recruiting the right personnel for available roles.



On average, 45% of new IT hires are unsuccessful (judged as possessing all the technical and soft skills required for the role).

This is just as likely to represent a failure in the hiring process as it is to be down to deficiencies in new recruits. Hiring organisations often lack in-depth knowledge about the job market in specific technical roles which causes common mistakes.

For instance, organisations often put together a wish list of skills and attributes that it's impossible to find in one candidate. Or the proposed salary fails to reflect the skills and experience needed - with businesses looking to acquire in-demand expertise on the cheap.

Another common error is for the description of roles and responsibilities to be drafted by someone unfamiliar with the specific demands of a role, leading to a lack of alignment from the outset.

“Hiring organisations often lack in-depth knowledge about the job market in specific technical roles which causes common mistakes.”

Measures to address the talent gap

As a result of the talent shortage, two-thirds of senior IT leaders (66%) have made changes to their hiring strategy. Of those who have evolved their strategy:



63% have either started to offer or increased the number of apprenticeships



51% have hired and cross-trained from other areas of the business



45% have started offering a visa or right-to-work scheme



Just over a third (37%) have removed the need for a related degree for new candidates

The hiring process stands the best chance of success when internal talent acquisition works hand-in-hand with the hiring manager and external search consultants with deep understanding of the current skills and employment landscape.



A sector of talented professionals

Despite the challenges presented by a lack of sufficient IT talent, IT leaders are nonetheless positive about the capabilities of current professionals in the sector.

The study asked senior IT professionals to rate new entrants to the workforce (those with less than two years' experience) on a number of attributes. Responses highlighted high levels of confidence in their abilities and strengths:



70% of respondents viewed the soft skills as strong with 68% saying the same of their technical abilities



81% of senior IT leaders said that mid-level professionals contribute to team performance in a meaningful way



Two-thirds (66%) said the new generation of IT workers had a strong work ethic with the same proportion believing that the skills they had learnt in education were relevant for the demands of the workplace



79% stated that they actively pursue new certifications related to their work



78% that mid-level professionals are eager to stay at the forefront of the sector, and are happy to learn new skills and explore new technologies



IT leaders were even more complimentary about the skills and positive attitude of mid-level professionals (those with four to eight years' experience)



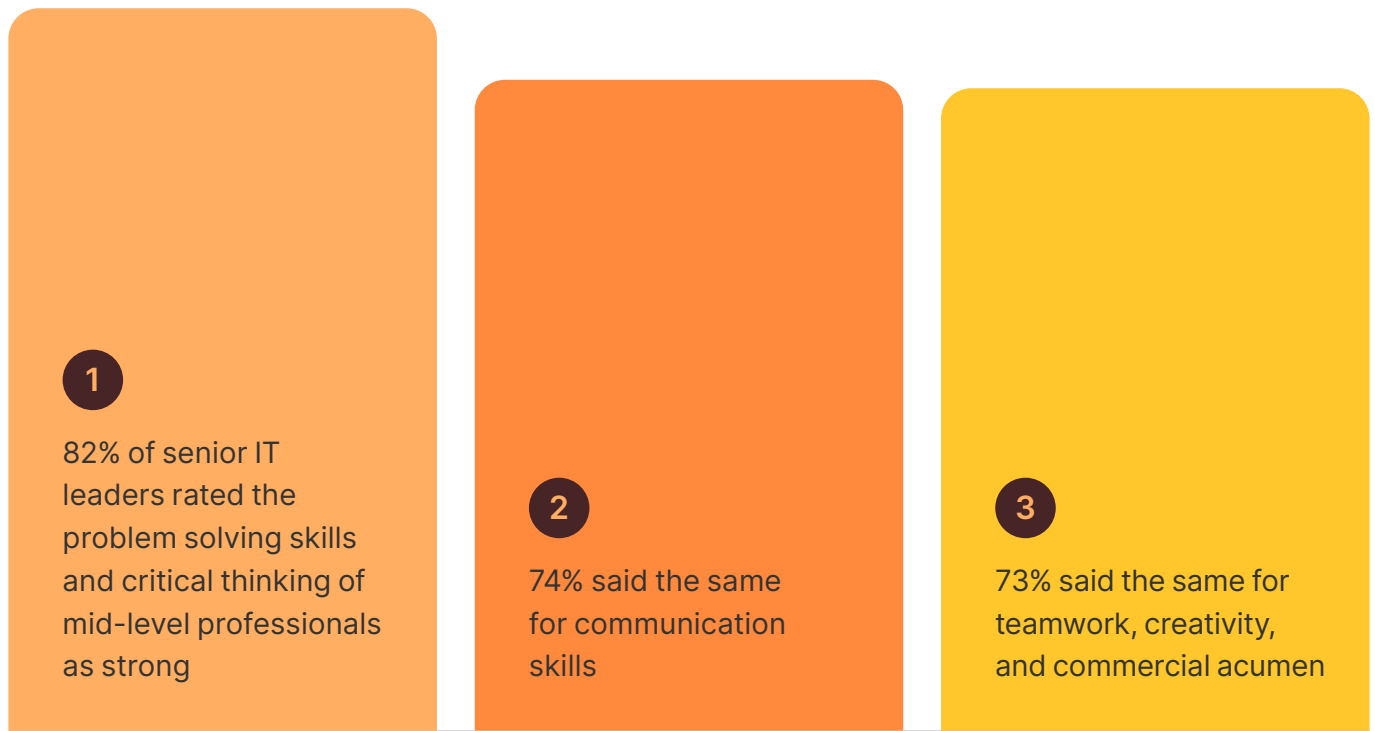
75% of respondents said that mid-level professionals embrace change and regularly attend industry events to stay at the forefront of the sector



IT sector talent shortages in Germany

The figures shed light on the high degree of commitment among mid-level practitioners to ongoing professional development.

And it was not just in the technical domain that the performance of mid-level professionals was highly regarded. Their command of soft skills was viewed as similarly proficient:



There was a lot of doom and gloom around the German economy through the course of 2023, and scepticism about the country's ability to digitally transform. Contrary to this negativity, our research reveals a German IT sector far more confident about its strengths and abilities in meeting the demands of the future.

“Despite the challenges presented by a lack of sufficient IT talent, IT leaders are nonetheless positive about the capabilities of current professionals in the sector.”



About Keller West

We are global experts in IT specialist search and recruitment.

We provide search and recruitment services for IT, digital, cyber security and data leaders worldwide. With deep market knowledge and our commitment to excellence, we partner with our clients to find transformative IT talent that will shape the future of their business.

We are part of The SR Group, a fast-growing and hugely successful collection of specialist search and recruitment consultancies covering everything from tax, treasury and senior finance, as well as legal, risk and compliance to marketing, sales, HR and IT.



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