

Tech skills in 2020

By <u>Stephen van der Heijden</u>

Access to software skills is now critical for any growing company. Our world and economy have changed, and they're now powered by technology and the people that create it. But how does South Africa compete for the skills required to drive and support this change? Do we have what it takes?



Stephen van der Heijden, VP Growth for OfferZen

A few months ago, OfferZen released its first <u>State of the Software Developer Nation survey</u>, which polled over 3,000 developers about skills, work experience and opportunities among the South African developer community. This survey offered some insights into what it's like being a developer in South Africa - and contrary to the popular narrative, South Africa is a great place to be in tech right now.

Demand for tech skills

For a start, the demand is real. We often read in the media about the massive tech skills shortage facing South African companies, with industries like banking and fintech being particularly affected.

In fact, Capitec CEO Gerrie Fourie is on record as saying he would hire 100 tech professionals 'immediately' if he could, with the bank looking to expand its workforce by up to 600 people.

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What's interesting is that we're seeing a rise in demand for tech talent not only from tech companies, but also traditionally non-tech companies as they compete for the unique skills needed to remain relevant and innovate. This demand for developer talent is only going to grow in 2020.

But the really exciting trend that we're seeing is that we seem to have an increasingly good ecosystem to foster great tech talent. One of the big takeaways from the survey was that developers feel like they have growth potential locally, and that's one of their most important concerns. 1 in 3 developers want to start their own businesses, and we're also seeing self-taught developers coming through strongly, to the point that they have similar earning trajectories as those with degrees.

Right now, developers and tech talent are among South Africa's top earning professions, like actuaries, lawyers and medical professionals, even though you don't need a degree to be a developer. Their spending power in South Africa is actually higher in real terms (when adjusting for tax and cost of living) than many countries, and there are great opportunities here.

Back in 2015, StackOverflow found that when using the Big Mac index, which is a cost of living index comparing the price of Big Macs across the world, South African software developers ranked second highest in the world after Ukraine.

A look at the local market place

The State of the Software Developer Nation survey also put a dent in some widely-held perceptions in the local marketplace – not least the old 'brain drain' refrain. The reality is that tech is an international game, and we believe the narrative of specialists leaving the country in their droves is overhyped.

Yes, many developers are going abroad to places like Europe and the United States to gain exposure to international tech companies but with the intention of coming back to South Africa. And it's not just talk - people are actively re-joining our recruitment platform and bringing their skills and experience back to our country.

A further case in point would be the story of the founders of OfferZen, brothers Philip and Malan Joubert, who ventured off to Silicon Valley but brought their drive, passion and newfound insights back to South Africa to start OfferZen.

So, what trends can we expect in the local marketplace in 2020?

We're going to see companies taking a more proactive approach than ever to building winning tech teams as competition intensifies and tech becomes more global. We're already working with companies that are looking to build out their employer value proposition to access and attract top talent, and create world-class hiring practices. Ultimately, this will make South African companies more competitive internationally in the talent market, as well as becoming more successful as businesses.

We're also seeing a greater recognition of the tech community's specific needs and wants. One example is our collaboration with Investec and our community of software makers to make programmable banking a reality for developers.

In general, the South African developer community is thriving, but we as companies still have a long way to go to really empower this community. We need to get better at understanding what makes developers tick and what drives them, supporting them in ways that matter to them, and to compete for their scarce skills on a global stage. If we can continue to invest in making South Africa a great place to be in technology, I believe we can make an outsized impact on our economy and the people in it.

ABOUT STEPHEN VAN DER HEIJDEN

As the VP of Growth at OfferZen, Stephen van der Heijden focusses on guiding his passionate team to grow the business by adding value to the tech community. #BizTrends2020: Tech skills in 2020 - 3 Jan 2020

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