



# 2021

## HIRING GUIDE

A Manager's Guide to Hiring  
Through 2021 & Beyond



# Introduction

January 1st is an arbitrary date when it comes to business; nothing stops, nothing changes, nothing is 'wiped clean'. Due dates are still there, economic issues are still there, and all the personnel challenges you had on December 31st are rolling over. But we're human, and the calendar change gives us a unique reflection point, a reset button, a clean mental state. When it comes to hiring trends, nothing could be more important.

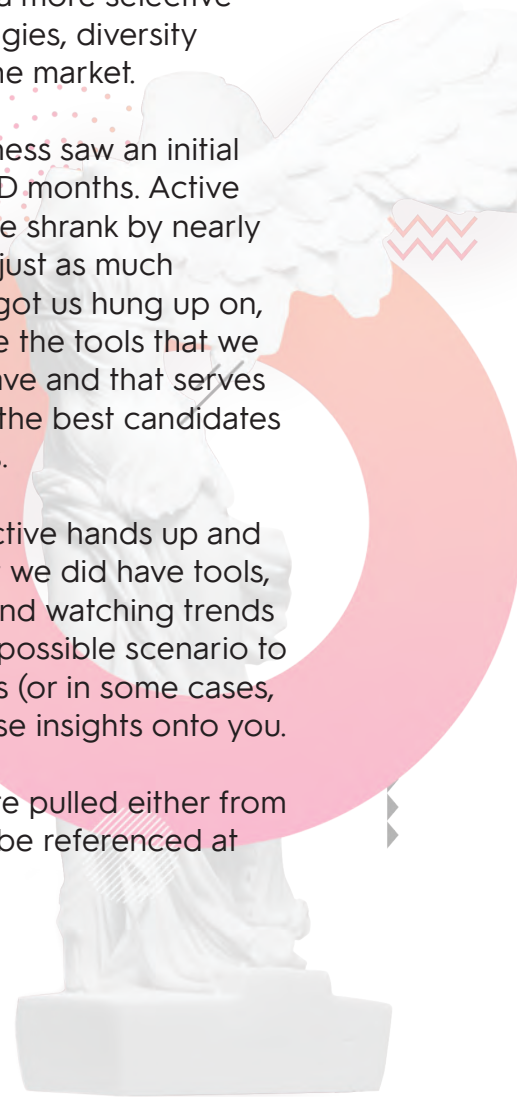
2020 has been an anomaly for businesses around the world. It's been anomalous not just because of a global pandemic that has caused nothing but strife, but because of its economic fallout and continuing repercussions. Company locations were shuttered, and workforces were scattered across the country. For better or worse, COVID-19 has touched every industry.

2021, however, will be a year of facing down challenges. Those challenges will be different for every company, ranging from growing efficiency to avoid mistakes exposed by the pandemic, to focusing on large-margin projects to make up lost revenue, to building on growth caused by excellent market position during 2020. Nearly every company will be up against a more selective workforce, growing skills gap, adapting to remote technologies, diversity demands, as well as a new generation beginning to enter the market.

Here at Prodigy, we haven't been immune, either. Our business saw an initial contraction of around 38% through the height of the COVID months. Active job listings decreased by more than 50%, and our job queue shrank by nearly two-thirds. As unemployment rose to 15%, we were caught just as much off-guard as our clients. The things that worked in the past got us hung up on, and like the majority of America, we didn't know how to use the tools that we had. We were saved by our ability to win the jobs we did have and that serves as a testament to our recruiters and their knack for finding the best candidates our market has to offer. Thank you dearly Prodigy recruiters.

But, one our differentiators is our refusal to throw our collective hands up and become victims. We paused, re-evaluated, understood that we did have tools, and went to work. Since then, we've been collecting data and watching trends to ensure we position ourselves and our clients in the best possible scenario to make up for losses or to mitigate realized opportunity costs (or in some cases, to continue growth). This document is intended to pass those insights onto you.

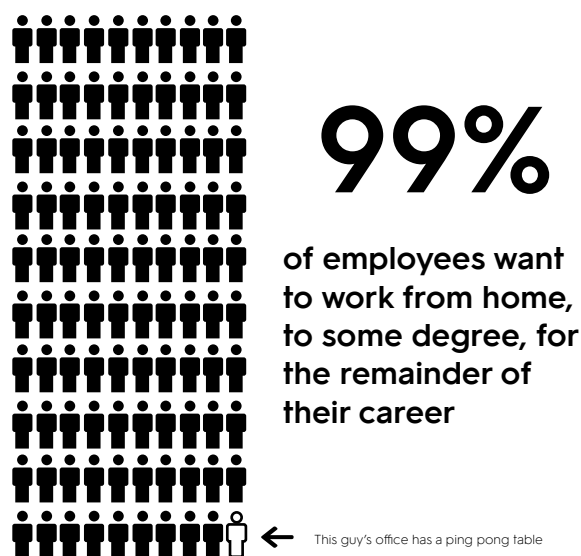
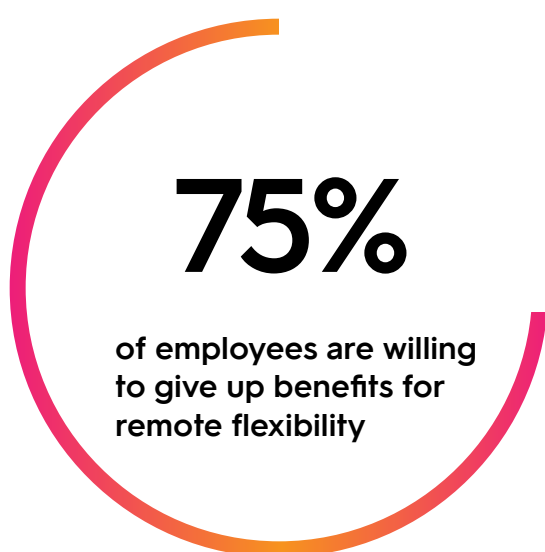
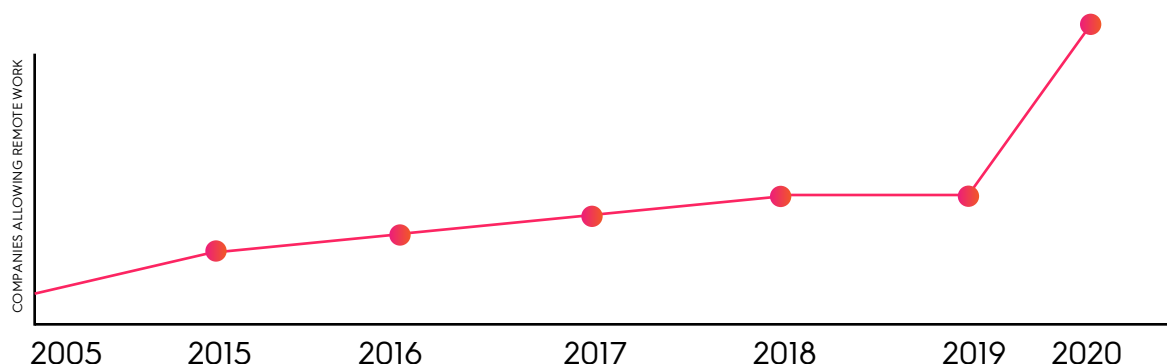
A quick note before we begin, all data points referenced are pulled either from internal measurements or industry studies/surveys that will be referenced at the conclusion of the outlook.



## REMOTE WORK & DISTRIBUTED TEAMS

This is, and will continue to be a mainstay on this list. Remote work, especially in the technology field, is becoming an increasingly desirable benefit offered by employers. In fact, a recent Owl Lab study found that nearly 75% of employees are willing to give up vacations, big raises, and even retirement plan contributions in exchange for the flexibility of remote work.

Even before the pandemic (2018), nearly 40% more companies began allowing some form of remote work compared to five years prior. Since the pandemic, 99% of employees surveyed responded that they'd like some degree of remote work for the remainder of their career (shocking, I know).



## REMOTE WORK & DISTRIBUTED TEAMS CONT'D

There are a number of reasons that employees want to work from home, and in fact, the numbers bear out the resulting evidence: companies allowing remote work have 25% lower employee turnover than those that don't, 76% of workers would be more willing to stay with their current employer if they could work flexible hours, and people who work remotely at least once a month are 24% more likely to be happy and productive.



# 47%

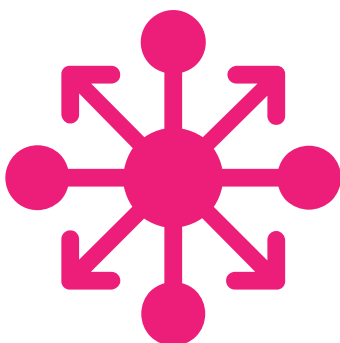
more productive  
when working from  
home

# 22%

happier  
when working from  
home



Beginning Q3 of 2020, a reported 16% of American companies report switching to a 100% remote growth strategy (they are only hiring fully-remote employees). They, too, are also seeing numerous benefits: reduced overhead (working space, utilities, commute expenses), productivity increases (up to 50% in nearly every study conducted on the subject since COVID began), decreased budget leakage (budgets become roughly 15% more efficient), increased employee health and wellness, larger talent pools, and even reduced salaries (68% of millennials are willing to take a pay cut to work from home).



**16% of companies are adopting  
fully-remote growth strategies**

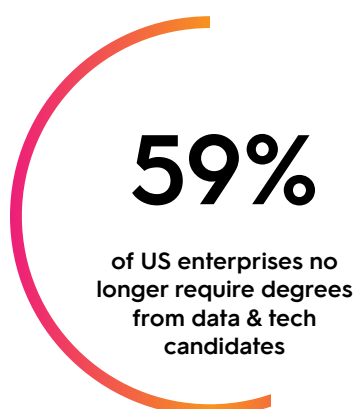
The simple fact is the shift to working from home was already happening. The pandemic dramatically shifted the timeline. HR experts estimate 2020 contracted the work-from-home timeline by 10-15 years. This will be a key factor by which candidates decide which job offers to take throughout 2021.



## SHIFT AWAY FROM TRADITIONAL REQUIREMENTS

While the actions of Google, Apple, IBM, and Netflix shouldn't be your company's operational compass, they often act as an indicator of personnel trends in the market. One of the more recent practices by these tech bellwethers is abandoning traditional education requirements in favor of tech and data literacy.

A recent Qlik study found that 59% of American-based enterprises have removed college degrees from their list of job requirements when evaluating data and tech candidates. Not only that, of those that still require degrees for tech positions, only 21% of companies saw a degree as a primary consideration.



Nearly every company is looking for tech and data employees, and they're having a hard time finding them. Data analytics and science positions have some of the longest vacancy times on the market, averaging 71 days-to-fill.

Going into 2021, the candidate pool will have the ability to be more selective, which inherently means that businesses will not. We're already starting to see more and more organizations overlook degrees in order to expand their talent options and reduce bias. There have also been studies that show companies can increase retention by hiring based on raw skill vs. academic experience.

Many of today's tech professionals don't have a degree, anyway. 65% of developers claim to be self-taught, so companies can open their recruiting pipeline exponentially if they're not restrained by educational requirements.



## HEIGHTENED FOCUS ON SPECIALIZATION

Skills, literacy, contextual learning. Those are the factors that companies are (and will be) looking for in candidates as the shift away from degrees picks up steam. This means that you can't be more lax when evaluating potential employees, but more disciplined. In our world, recruiting must become more specialized, and recruiters have to have the right chops to ask the right technical questions. Recruiting, in either the agency or internal realm, is becoming more of an exact science. If you're not pushing back on candidates your HR team is sending, you should be.

Because of the growing skills gap (see below), companies that are maintaining centralized recruiting operations are seeing failures in every step of the process from sourcing to team integration. Even in our agency, focusing on "general tech" is too broad. We're finding our team has specific talent in areas that allow them to speak the language and understand the concepts that allow them to filter candidates effectively in even the most niche positions.

For example, as this year has progressed, we've seen multiple clients begin this shift to specialization. Have we seen a ton of "Network Administrator" requirements come across? No. How about "Cloud Network Administrator?" No. What we're seeing is specialization to an extent, and on such a scale, that it has become clear the hiring managers we work for are no longer casting nets; they're becoming snipers.

AWS Administrator - Turbot

Contract

AWS Administrator - ScienceLogic SL1

Contract

AWS Administrator - Dynatrace

Contract

Senior .NET Core Developer

Contract To Hire

ServiceNow Developer

Contract To Hire

## COMPANY CULTURE TAKES CENTER STAGE

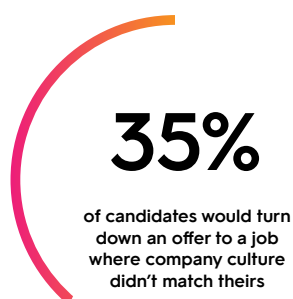
Technical job openings in 2021 -- 8.7M

Qualified technical candidates 2021 -- 7.3M

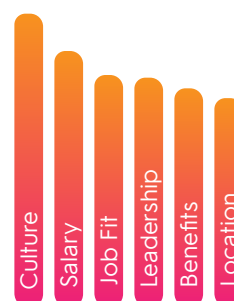
Hiring in 2021 won't be the same as in 2011. Not just because of technological advances, but because of the values candidates are searching for. There's economic parallels between the two years, and aside from demographic differences, the candidate pools have several similarities. The result will be much different, however. In 2021, the tables have turned, and applicants aren't begging for any employer to "take a chance" on them. In fact, the numbers bear this out, as well. The number of technical job openings in 2021, according to the Bureau of Labor and Statistics, is estimated to be around 8.7 million, while the number of qualified applicants for those positions was estimated at 7.3 million by a recent Robert Half International study.

It's a buyers' market out there, and that means your company has to shine. Here's some more sobering statistics: more than a third (35%) of candidates responded that they would turn down a job offer if the company culture doesn't fit theirs. Not only that, 91% (!!!) of hiring managers believe that cultural fit is as important, if not more so, than skills and experience when evaluating applicants.

Respondents also reported placing culture higher than salary, benefits, work/life balance, and location/hours flexibility when evaluating job offers. So what does that mean for you? It means that executives and managers need to strike a balance between generational, hierarchical, and project-based values to attract and retain the best talent. No, we're not talking about putting a ping-pong table in the break room (although...), we're talking about effectively communicating the values the company represents.



Most important factors considered when deciding on taking a job





## CANDIDATE EXPERIENCE IS PARAMOUNT

First impressions are everything, right? That absolutely applies to your first impression of a candidate signing onto a video interview. But it also applies to their first impression of you. While it does allude to what we talked about discussing company culture, we're more so focusing on how communicative and effective your team is during the application, interviewing, hiring, and onboarding processes.

Are electronic invites handled in a time-effective manner? How granular is your technical interview process? Are code/project samples requested and reviewed quickly? How openly are you communicating? Are expectations communicated and adhered to? These are all questions (among a plethora of others) that you should be asking yourself and your hiring team. Mis-steps in this process are a great way to chase away qualified candidates.

So what can you do? Here's a few ways to get started:

- Maintain a great reputation
- Speed up your time to hire
- Establish clear and accurate job descriptions
- Simplify your process
- Make the interview process comfortable and open
- Personalize final decisions

We could go on and on with anecdotal evidence about how waiting to organize your process could mean the difference between making and missing the perfect hire for your position, but you already know it to be true. The simple fact is that most of the people you're interested in (or should be) are interviewing somewhere else, too. Don't forego the perfect fit for your team because your organization is too lazy or entitled to influence top talent.

## DIVERSITY AND INCLUSION

If you rolled your eyes or were inclined to skip this page, then you are exactly who we're writing this for. A couple things before we get into it. A 2019 Glassdoor study found that 55% of managers and executives believed that their organization employed a diverse workforce. However, 77% of the employees surveyed at those same companies said their organization was falling behind when it came to diversity and inclusion.

### Perception vs Reality



Okay, so the data tells us that investing in diversity has multiple benefits throughout the organization: different perspectives on a particular subject or project, enhanced team creativity, faster problem-solving, and better employee engagement. But what do we mean by diversity? Yes of course it includes everything you're thinking of, but we're also talking about neurologic diversity, which we've seen come up time and again talking to hiring managers across the country.

We're talking about the way people think about, and approach their work. With GenZ entering the workforce and baby boomers retiring, we are poised to see greater diversity across generations in the workplace. More employers are seeking out candidates who are "disruptors" and can find new ways for businesses to grow out of the economic downturn.

Basically, it's about getting out of a collective "stuck" perspective. Whether new perspectives are gained from where people originate and how they've lived their lives, or based on projects they've worked on in the past, a more diverse workforce breeds creative processes that have been proven to increase success.





## HIRING FOR SOFT SKILLS

Too many managers are already frustrated, coping with new hires who are unsure of how to write a professional email, struggle to organize and prioritize tasks, or have a difficult time collaborating with coworkers.

Here at Prodigy, one of our biggest challenges has been a major skills gap, with the majority of lacking skills falling into the 'soft' category. More than 70% of current US job openings list empathy and communication in required skills. Soft skills may well prove to be the career currency of 2021.

### Top reasons companies can't find top talent:

Competition from other employers -- 43%

Missing soft skills -- 36%

Missing technical skills -- 35%

### Top 3 soft skills candidates are missing:

Problem solving/Critical thinking -- 37%

Adaptability/Foresight -- 32%

Communication -- 31%

According to SHRM, the biggest in-demand soft skills are problem solving, critical thinking, innovation, and creativity. We know you're thinking that proficiency in these areas should be required for everyone on your team. Everyone is thinking that. Every industry has seen the importance of hiring for soft skills, and has already started recruiting for them. However, the soft skills gap is estimated to grow to 29 million by 2030.

So here's the thing: soft skills are non-tangible, not easily quantifiable, and hard to teach. We cannot stress enough how important it is to begin evaluating candidates based on their soft skills, or working with a partner who can.

# 97%

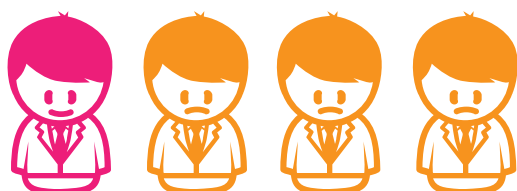
of US companies believe soft skills are of equal importance to technical skills

# 29M

US workers will be missing soft skills their employers view as required by 2030

## GROWING SKILLS GAP

The US economy has digitized over the last decade, and is advancing quickly every year. Our legacy infrastructure, colleges and universities, and, consequently, our workforce, is not keeping up. According to BLS, nearly seven million jobs are left unfilled every year due to a lack of qualified employees. The World Economic Forum found that only 29% of small businesses, and 27% of large companies feel that they have the tech talent they need to run and grow their businesses. Three quarters of Business Roundtable's CEOs say they can't find enough workers to fill their high-skill technology positions.



**75% of CEOs felt that they couldn't find the high-skill tech positions their company needs**



**89% of hiring managers found "few to no" qualified candidates when hiring for high-skill positions**

These are crazy numbers. They paint a dark picture of the next year, and even the next decade. But, we don't want to get super caught up in big numbers. As a tech staffing firm, we have a lot of insight, and some good news. A lot of this gap is caused by increased specialization. For example, on the coding side, there is no shortage of C++ coders, but there's a huge shortage of .NET developers. There's no shortage of "full-stack" developers, but good luck finding awesome React candidates. Need an ITIL specialist? They're legion. But narrow it to Servicenow, and you've got yourself a "needle in a haystack" situation.

This is also resulting in more of these experienced, qualified professionals taking advantage of the shortage by becoming serial contractors. While this does exacerbate the skills gap, more companies are realizing the value of turning to short-to-mid term contractors to bridge their project needs. Many companies' needs can be met in a standard 12 or 24 month contract.

## GROWING SKILLS GAP CONT'D



We have more good news: you can fix it for your organization. But it comes with hard news: it's going to be tough. This absolutely has to be a two-step process. Nearly every company has short-term needs, and this is where you need a great staffing partner who knows what you're looking for, and has a history of delivering candidates that can perform right now. Then it's time to start thinking about internal transition plans to fill a training pipeline that can supply you with trusted, proven talent.

Identify your leaders. These are your players that understand your internal processes, and have the technological expertise. Transparency and support are critical to this process. Foster a diverse mix of staffing agencies, HR, operational, and technical executives, and prospective leaders that stand behind your organizational goals.

### Short Term



**Find a partner**  
(preferably Prodigy)



Ensure they know exactly what you're looking for, and that they're really good at delivery

### Long Term



**Find a leader**



Build your awesome support team comprised of agencies, executives and up-and-comers

# Looking Forward

What's not new going into 2021 is that economic and social issues affect organizations in nearly every aspect of their business. Aside from conventional challenges, 2020 offered up a worldwide pandemic that not only compounded issues, but created new ones.

Talent acquisition is the lifeblood that enables companies to stay in business and expand. Faced with current circumstances, both you and Prodigy are forced to find new and creative ways to find the best talent on a limited budget and with restricted movement.

Fortunately, the market is thinning the pretenders, and offering up opportunities that have never been available before. With the best hiring departments and staffing agencies using new, exciting technologies like AI, NLP, ATS, and predictive analytics, the best candidates become more accessible than ever.

We know this year has been challenging. It's even probable, if not inevitable that this year's challenges carry over to next. But we look at this half-full glass and see that these challenges will bring even more exciting changes that will truly stir innovation in the recruiting and HR processes around the world.



Todd DeMarco  
Founder | CEO  
Prodigy Resources





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