

IT PROFILES IN REQUEST OF OUTSOURCING AND FINAL CUSTOMERS

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Abstract: This document is related to IT industry, which is successively developed by domestic and foreign companies. IT market is generally divided by hardware, software and IT services. Companies operated on this sector provide the following IT services: monitoring, service / help desk, infrastructure and application management, etc. Having more and more investors, which employ candidates related to IT activity, nowadays it is difficult to search and find the appropriate profiles of future associates. This is the chance for recruitment agencies and outsourcing companies to become a supplier of their potential customers. To provide suitable candidates headhunters are highly specialized to recognize customer needs and compare them to recruited profiles. The document present, which IT positions are the most wanted by large outsourcing companies and final customers.

Key words: IT market, recruitment, outsourcing, resources, application management, infrastructure management, IT technologies

Introduction

IT market provides to other industries and individual customers more and more opportunities. Growing revenue, increasing the level of technology and providing high salaries to associates are reasons both for companies and candidates seeking for employment to find each other. IT industry offers different kind of vacancies and communicate current needs and requirements. After establishment of new investors IT services became wider and demand for new resources increased.

Positions related to the area of IT are different from e.g. HR, logistic, sales, marketing, etc. Information technology has to be strongly specialized, because of many technologies, systems and activities, which cannot be handle by one person. First, general division is between application and infrastructure management. Going further, there are divisions by technologies, platforms, databases, systems, such as Java Developer, .NET Programmer, SAP Consultant, Oracle Specialist, etc. Some of them are most sought after by companies (Java, C++, monitoring, helpdesk) and available resources on the market are limited to be hired.

Due to the decreased competition and new demands of potential customers there are more and more companies able to provide resources related to IT. Suppliers are divided by recruitment agencies and outsourcing companies, which propose within their offers services such as recruitment process outsourcing (RPO) and knowledge process outsourcing (KPO). KPO model is the opportunity to develop recourses' carriers from both sides → outsourcing companies and their customers. Knowledge of current market needs could help in the choice of study field by potential students.

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IT market in Poland

Personnel in Poland related to the IT industry are known all over the world as potential employees, which can provide to the company high efficiency, effectiveness and skills, comparing to low level of salaries. More and more foreign investors consider the plan to establish new business unit in Poland, because of specific values of the market. 2011 was promising year, when the total income of the IT sector exceeded 31 billion PLN, which is equal to the almost 2% of the GDP in Poland [1]. IT market is divided by hardware, software and IT services, as it is presented on the below chart (figure 1).

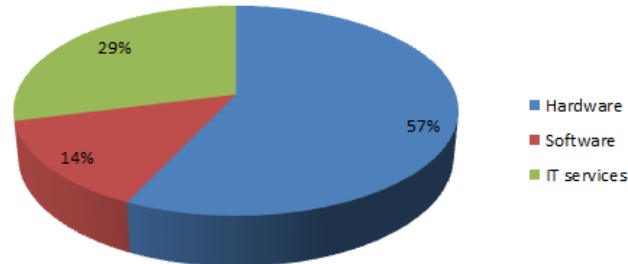


Figure 1. Division of the IT market in Poland

Source: Computerworld Top200, 2012

IT services are divided inter alia by outsourcing, implementation, integration, consulting and technical support (e.g. monitoring, service desk, full infrastructure management). In the case of services, which could be provided remotely, more and more final customers enter into a partnership with suppliers established in Poland, Romania, Morocco, etc. Top 5 IT outsourcing companies compete with each other in term of acquiring human resources. Figure 2 shows the prediction of resources being involved in technical services of those enterprises.

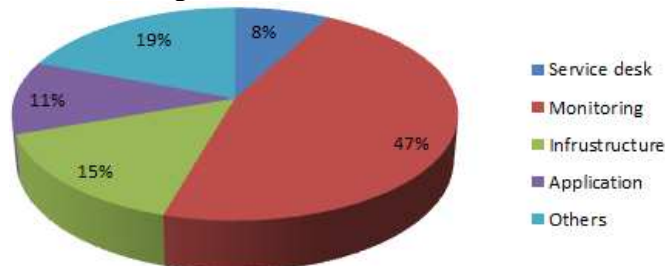


Figure 2. Top 5 IT outsourcing companies workforce division forecast of technical services for 2015

Source: Author's research, 2014

Candidates profiles in IT branch

Many of large and medium companies cooperate with suppliers providing outsourcing of different services. The reasons of giving out of the organization specific activity area are the following:

- Cost reduction.
- Increase quality.
- Secure compliance.
- Innovations and technology.
- Maximize revenue, etc.

IT recruitment units focus on two different areas: Application Management (AM) and Infrastructure Management (IM). AM is the process of managing the operation, maintenance, versioning and upgrading of an application throughout its lifecycle [9]. AM includes system design and modeling, testing, software development and project management [4]. IM includes supervision of systems and networks, event and incident management, call management, alarm control and handling, knowledge management, etc. Main services related to Infrastructure Management are service desk, monitoring, IT security, server management, etc.

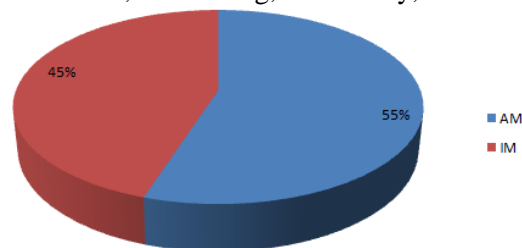


Figure 3. Accepted candidates by IT area (2013)

Source: Author's research, 2013

Figure 3 shows the ratio of IT positions between AM and IM areas. The study consisted of 25 large and 42 medium companies. As it is presented above, 55% of IT positions in chosen market are related with Application Management and 45% includes Infrastructure Management positions. Employment in IM may increase during 2014 due to new investors interested in using services providing by outsourcing companies located in Poland, Romania, Ukraine and Morocco, such as Monitoring and Service and Help Desk.

Below chart (figure 4) presents IT profiles related to Infrastructure Management, which were successfully provided by IT outsourcing medium company to its customer during 2013. The largest number of recruited candidates is related to Monitoring → 29%. Employment in Technical Support Analysts and Team Leaders of Infrastructure were quite similar → successively 23% and 21%. SAP HR (ABAP) Consultant position was covered in 17% of all IM activity. These information are useful for potential IT business partners to estimate percentage of the most important areas of activity in the chosen sector. Technical universities are very important to provide each year new potential high skilled IT candidates.

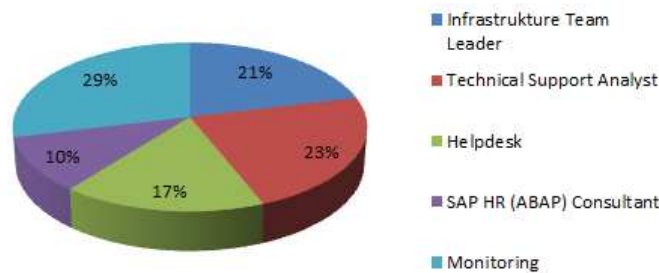


Figure 4. Sample profiles of candidates accepted by customers (IM, 2013)

Source: Author's research, 2013

Figure 5 illustrates the number of IT position related to Application Management area of activity, which were recruited by IT outsourcing medium company for its customers. The most repeated positions from below selected were those related to Product Specialist → 38%. Second rate belongs to Java Developer, which is 22% and can be treated as a position using the most popular computer programming language. Software framework, in below example .NET, is used also very often, as it is presented on below chart, Junior .NET Developer and .NET Developer positions have together 29% of all recruited candidates. SAP WM Specialist position was recruited the least from chosen areas → 11%.

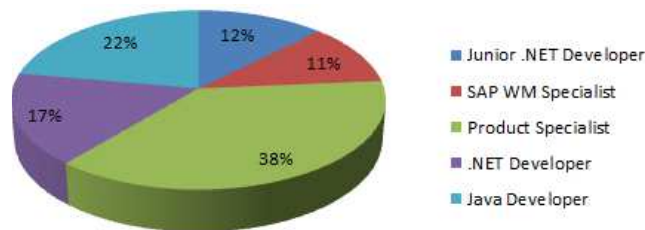


Figure 5. Sample profiles of candidates accepted by customers (AM, 2013)

Source: Author's research, 2013

Recruitment agencies and medium outsourcing companies provide their services to different kind of customers. The most candidates were provided to large outsourcing companies → 78% and almost three times less were employed by final customers → 22% (figure6). The number of hired associates increases toward outsourcing companies, which can be treated in IT area of activity as a growing tendency of using outsourcing services by final customers.

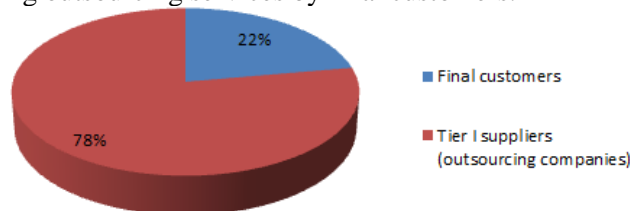


Figure 6. Recruitment requests provided by end customers and tier 1 suppliers (2013)

Source: Author's research, 2013

Profiles in recruitment process

IT profiles of potential candidates are generally divided by application management (AM) and infrastructure management (IM), then by technologies and activity. Under examination were 16 medium-sized and large companies, which supply on the market recruitment and outsourcing services.

Table 1. Candidates under recruitment process (average monthly report – 2013)

Technology (AM)	Average request no	Technology (IM)	Average request no
Microsoft Dynamics AX	36	Database	12
.NET	27	Helpdesk	34
BI	6	Management	25
C#	7	Middleware	6
C/C++	45	MOA/MOE	5
Database	18	Network	17
Embedded System	5	Network & Security	19
Java	49	Storage	7
Network	7	Systems	79
SAP	21	Team Leader	9
Python	6	Others	19
Sharepoint	9		
Testing	19		
WEB Development	15		
Others	16		
Total:	286	Total:	232

Source: Author's research, 2013

Selected companies to implement research received requests from their customers located in Poland, Germany, France and Belgium. Table 1 presents average request number for specific positions, which were under recruitment process during 2013 → the table shows total numbers of all 16 companies being average number per month. The most orders in AM were related to java, C/C++ and Microsoft Dynamics AX. The least number of request concerned embedded systems, BI, python, C# and network. In term of IM, the most orders were related to systems, helpdesk and management and the least requests pertained MOA/MOE, middleware, storage and team leaders positions.

Properly done recruitment process, whether by suppliers or within the organization is important in order to gain highly specialized associates, which are able to quickly implement themselves to the companies' culture, rules and policies. „The interview is more than a selection device. It is a mechanism that is capable of communicating information about the job and the organization to the candidate, with the aim of giving a realistic job preview, providing information about the process, and thus can minimize the risk of job offers being rejected [7]”.

On the other hand, as it is written above, recruiters are key persons to persuade potential candidates, by providing them precise information about the

offer. Therefore, candidates applying on the job offer, should be treated as customers, which need to be well informed about presented opportunities. Recruiters use the following criteria for screening potential candidates [6]:

1. Required skills and credentials.
2. Tests and measurements.

Except of skills, credentials and test results, HR researchers or recruiters are aware of customer needs and requirements, therefore there is additionally individual feeling, which determines, if specific candidate fits to client's culture. „Selection can be defined as the combination of processes that lead to the choice of one or more candidates over others for one or more jobs or roles [2]”.

Anyone, who is involved in the search of candidates must be familiar with the market area of his activity. „Headhunters earn a living by identifying the best candidates for a specific job vacancy. To be able to do this effectively, they must understand the sector or industry in which they work. They must also have a good network of contacts within the sector and a knowledge of individuals' motivations or career interests [5]”.

Recruiters, which are not specialized in the industry of their work scope, will not be effective, based on psychology knowledge only. To understand and estimate potential candidates there is a need to develop technical knowledge. Even from potential candidate point of view, it would be difficult to speak with recruiter and being limited to as him specific questions, because of the lack of technical knowledge. Contact with not well prepared recruiter is one of the reason, when candidates refuse the offer and participation in further processes.

Knowledge process outsourcing

Consulting companies offer very similar services on the market as employment agencies, but there are the following differences between them [1]:

1. Consulting companies search for higher position profiles (managers, technical specialists, engineers).
2. Consultants are prepared to work on sourcing and recruitment processes, especially with more specific profiles.

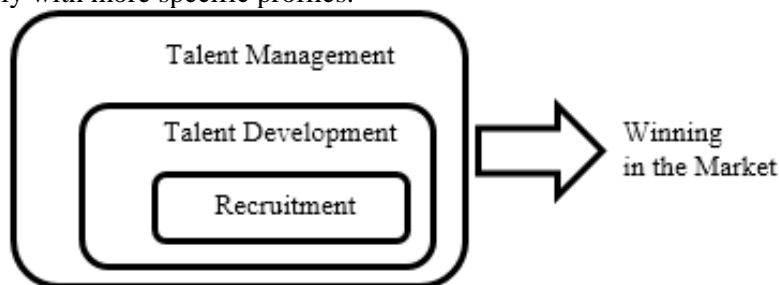


Figure 7. The impact of outsourcing companies on employee development

Source: Fernando K. V., „Aligning recruitment to talent management efforts”, *Strategy & Organizational Engineering*, April 2008, [3]

Recruitment process ends after acceptance of the candidate by the customer or after commencement of accepted candidate work. Knowledge process outsourcing means, that suppliers search for candidate matching customer requirements and employ him within their own structure. Chosen candidates working as consultants are delegated to the customer's premises or perform their responsibilities remotely. Outsourcing company → supplier is responsible for administration costs and organization related to HR management. Additionally, supplier participate in all kind of trainings provided to consultant, therefore outsourcing companies together with their customer are within talent development and management (figure 7).

Could the work in outsourcing companies be considered as an advantage in the market to have more possibilities of improvement? Consultant can be developed by his mother company and customer, where he works being delegated. Moreover, knowledge process outsourcing services are used in projects, which last specified time → short term projects can take three months or even two weeks. Changes tend to be advantageous for the quicker development of skills. From the candidates point of view, it is still difficult to choose, which kind of process models is more appropriate. Customers willingly use services of outsourcing companies in case of highly specialized industries, which definitely includes IT, therefore candidates still have different opportunities between recruitment and outsourcing models.

Summary

Total income of IT industry in Poland equals to the almost 2% of GDP and there is a tendency to increase. IT market in the polish regions focus mainly on the hardware market (57%), but IT services and software are more and more developed by new investors, which is strongly related to resources. Most companies have headhunters inside of the organization and they are able to run recruitment process by themselves, but some of them are using external support, which is provided by suppliers → recruitment agencies and outsourcing companies. There are different services proposed by potential partners: recruitment process outsourcing (RPO) and knowledge process outsourcing (KPO). KPO seems to be more appropriate to provide wider opportunities of carrier development for resources, which are employed by outsourcing companies and delegated to customers' premises to work on their projects. What kind of positions are the most commonly employed in the IT field of activity? The answer is important for those, who are looking for a job, and universities, which are able to change their courses in order to adapt to the current market needs. Application management includes more resources, than infrastructure management → 55%. The most frequently recurring positions of developers (programmers) are Java and .NET and C/C++. Whereas in IM area the most positions being under recruitment process are related with systems and helpdesk. Many potential candidates would like to work for final customers, but in case of IT end clients employ about 22% of resources. Large outsourcing companies have the most demands for IT profiles → 78%. Knowing the current demand in the market, candidates seeking employment will be able to adapt their skills to the position being the most search by companies.

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PROFILE IT POSZUKIWANE PRZEZ FIRMY OUTSOURCINGOWE I KLIENTÓW FINALNYCH

Streszczenie: Dany dokument odnosi się do sektora IT, który jest sukcesywnie rozwijany przez krajowe i zagraniczne przedsiębiorstwa. Rynek IT można podzielić na hardware, software i usługi IT. Firmy funkcjonujące w danym sektorze dostarczają następujące usługi IT: monitoring, service / help desk, zarządzanie infrastrukturą i aplikacjami, itd. Posiadając coraz więcej inwestorów, którzy zatrudniają kandydatów związanych z działaniami informacyjnymi technologicznymi, aktualnie coraz trudniej wyszukuje się i znajduje odpowiednich profili przyszłych współpracowników. To jest szansa dla agencji rekrutacyjnych i przedsiębiorstw outsourcingowych, aby zostać dostawcą ich potencjalnych klientów. W celu dostarczenia właściwych kandydatów, łowcy głów są wysoko wyspecjalizowani do rozpoznania potrzeb klienta i porównania ich do rekrutowanych profili. Dany dokument przedstawia, które stanowiska IT są najbardziej poszukiwane przez duże, outsourcingowe przedsiębiorstwa i finalnych klientów.

Słowa kluczowe: rynek IT, rekrutacja, outsourcing, zasoby, zarządzanie aplikacją, zarządzanie infrastrukturą, technologie IT.

它在请求中的外包和最终客户配置文件

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