

2019 Data Analytics Market Outlook



INTRODUCTION

Data Analytics is one of the hottest markets right now for talent and opportunities. And, it will be getting even hotter in 2019. This can be great news if you are working in the areas of Data Science, Data Engineering, Data Analysts, Machine Learning, AI, NLP, etc. However, your challenge will be differentiating yourself from the pack. If you are looking to hire for these roles, you will need to improve in your abilities to locate, qualify, and hire faster and better than your competition. Speed and accuracy matter; If you want to keep them engaged at your company, you must provide Rockstar talent with sufficient challenge to keep their interest.

High demand does not necessarily mean success for either the hiring manager or the quality candidate. Both sides are often quite frustrated in finding the right match of cultural fit, technical skills, and overall talent. If you want to better understand the market and take steps to position you to beat the competition, read on...

CURRENT MARKET

There is no mistaking that the US economy is on fire. The unemployment rate is down to 3.7%. This is the lowest sustained rate we have seen in 50 years.



What does that mean to you? Regardless of your industry, as a Hiring Manager, the talent you seek is probably already working. You have to go hunt them down and can't simply post and pray that the perfect hire is looking for you. Let's

face it, hiring managers simply have seen competition for talent like this (unless they were around 50 years ago at least...).

Sure, great talent is always hard to find. But in the Data Analytics space the game is at another level. There are a confluence of critical factors that force the spotlight on Data Analytics and create new challenges. Here are several driving factors:

- Technology is improving daily - Software tools keep getting better. Computing and storage capacity has improved by leaps and bounds and continues to do so. We are now able to analyze larger and more complex data sets than ever before.
- More companies are getting in the game driving up demand - Analytics is not just for tech companies anymore! Solid data analytics is changing the way business is done. Those that are not leveraging their data will likely be left behind as other companies are able to sentiment customers and predict their behaviors, identify and minimize risk, and more. It is not surprising that Brick & Click companies as well as more traditional manufacturing companies are leveraging their data for design, product, quality, and overall Opex.
- New Fields Create New Opportunities - Deep Learning or Natural Language Processing (NLP) have opened up tremendous opportunity for addressing and analyzing text information. Not just chat bots but all the text associated in the financial or medical communities among other large sets of data. These are huge opportunities which only drive greater demand.
- The Skills are Highly Transferable - Customer Segmentation and Predictive Forecasting skills are not just for Marketing. These are in demand skills for FinTech, Entertainment, Power Generation, and more. Sectors are pulling talent from outside their industry which creates more gaps and more demand. The #1 Talent in Demand for FinTech right now is Data Scientist.
- Consolidating Terms and Understanding - The terminology is becoming much more consistent (e.g., Data Scientist vs. Data Engineer, etc.). Some areas are being rebranded - (e.g., Quants from investment firms are being rebranded as Data Scientists) as confusion is replaced by consistency. Those in the know will be more able to capitalize on the accurate branding and recruiting.

TALENT POOL

The strongest candidates often sit on the sidelines - There is massive rush going on that is increasing the demand for top data analytics talent, and this has not gone unnoticed by the candidates. They are being invited to multiple they often have multiple offers without actively chasing any opportunities are coming to doubt? Do a quick search for Data Engineer in your metro number of jobs available. the deduplication, you still amount of opportunity for top



opportunities and to choose from job. Job them. Have any Data Scientist or area and count the Even when you do have a massive talent.

There is a flood of new talent - also shifting as there is a flood pouring into the market. Boot camps and other quick hit courses are working to rapidly fill the gap. Major universities are also pivoting their curriculum into data analytics. Lots of candidates with the theoretical knowledge and a solid understanding of the tools but they have not yet built up the practical experience. Virtually every hiring manager we speak with in this space laments that they are buried with newly minted data scientists when they are looking for experienced talent. As a result, they are spending many hours looking to find their "needle in the haystack."

The supply side is of new candidates

FRUSTRATIONS ABOUND

Data Analytics Talent are often frustrated trying to get the attention of the hiring manager - Many times they don't hear back in a timely fashion. And far too often, they don't hear back at all. When they do talk with a person, they often hear from a recruiter who doesn't really understand the market or the technical role so the candidate struggles to communicate the value they bring. This often boomerangs back on the companies as the impression they leave with the candidates start to damage their recruiting brand.

Rockstar Talent Doesn't Wait - The top 10% of talent typically has multiple offers. When they don't hear back from the company in a timely fashion, they get a negative impression and will often quickly move on. Great talent does not stay on the market for long.

Companies Struggle to Navigate the Market - Hiring managers are spending too much time with unqualified candidates and too little time with top performers. It is not uncommon for a company to receive 500+ applications in a week for a posted role. Few of these are well qualified for the position and by the time they find the Rockstar, they may be gone or already have competing offers. Net result is that the position stays open far too long and sometimes the company ends up settling for good enough rather than getting the talent that will transform their business.

2019 LOOK AHEAD

Expect 2019 to be an even more robust year for Data Analytics talent as demand will continue to increase. Need will be driven by the new applications of disruptive technologies (e.g., AI, self-driving vehicles, facial recognition, text recognition, etc.), but demand will also be fueled with a wider variety of industries entering the data game. Getting a solid understanding of your customer data or operations data can be a game changer. Clients in declining industries are looking to Data Analytics to give them a significant competitive advantage. If your market is declining or even if the economy suddenly turns down, data analytics will differentiate the winners from the also rans. And, in many cases, companies are starting to run to catch the train that they fear has left the station already.

We will continue to see a surge in inexperienced data scientists coming filling the space. Companies will need to embrace this opportunity and find ways to effectively mentor and grow your talent. Continuing education, challenging work, outstanding team culture, and of course solid compensation will be critical to keeping your team from walking across the street to a better opportunity.

Experienced Data Analytics talent will be in very high demand. Companies will have to get better at finding and qualifying candidates quickly. He who hesitates is lost...This is a time to be decisive.

Companies must become quicker at identifying their needs and assessing candidates. In the Data Analytics area, candidates broadly fall into three categories.

- **Tool Players** – they know how to use the tools and languages (e.g., R, Scala, Tableau, etc.). However, knowing how to use a tool is helpful but not sufficient. Or as my dad used to say “a fool with a tool is still a fool.” Provide Tool Players with the mentoring they need to become Impact Players.

- Impact Players – these are the problem solvers. They typically will not care what the tool but they know how to solve problems. They may have solution specialties (e.g., customer segmentation/loyalty, risk mitigation, fraud detection, Opex, etc.). Impact Players understand the value they deliver to the business and they work to maximize their impact.
- Transformational Players – these are the upper tier who know how to productize or monetize the data. They can help you leverage your data as a competitive weapon. In short, they know what questions to ask. Impact Players know how to answer the questions. And, Tool player know how to use the tools.

Companies will become better at pulling talent from outside their industry and outside of their geography. There is great opportunity for talent arbitrage. They will be finding talent who have already solved some aspect of their challenge in another space. Companies will also be recruiting talent from higher cost geographies to leverage their cost of living advantage. This will create cross industry and cross geography hiring. This also means that companies will need to always be looking for great talent. You will experience turnover in your teams and you will need to get in front of that issue with both retention and better recruiting.

More companies will be accepting sponsorship or leveraging managed services from companies who do sponsor. This is a trend over the past few years and it will continue to be driven in STEM areas like Data Science and Data Engineering.

Candidates who want to separate themselves from the pack will be listing and speaking to their accomplishments and not just their responsibilities (there is a huge difference here). Ask yourself who you would want to hire. The person who says they developed machine learning algorithms or perhaps the one who notes their work resulted in 3% improved customer retention or saved the company \$2MM. Your accomplishments will set you apart.



The bottom line is that these are exciting times! Get educated on your needs, market trends, and how to get better at the game. 2019 will be a year where we live out the impacts of Supply and Demand. Those who understand the game and act to take advantage will find themselves on the winning side. Looking forward to hearing about your many successes in 2019!

Interested in further information or in need of assistance? Reach out to me directly.

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