EU could face annual shortfall in skilled IT personnel of 70,000 by 2010

Estimates of supply and demand levels indicate the EU could seriously run short of people with the right computer skills by as early as 2010. Demand is calculated to be as much as 250,000 per year by then, drawing on an insufficient supply pool of just 180,000. These are the findings of a study carried out by a consortium composed of CEPIS, the Manchester Institute of Innovation Research (formerly PREST) and Eurochambres. The shortfall would cause downstream negative effects and restrict our opportunities to prosper. This could cause the EU to lose its competitive advantage on the world stage and shift ICT activity to other rival global regions.

An EU consortium has found that innovation, the economic climate and off-shoring are likely to have the greatest impact on all future demand for skills within the ICT industry. It is clear that the ICT industry must not be allowed to develop "organically" – it must be managed if we are to avoid the industry facing an inadequate workforce. This inadequacy could take two forms: too few people, and not the right depth of skills.

To tackle the potential shortage of skilled ICT professionals, the research group recommends the following joint actions and strategies for the industry and policymakers:

- **Promotion of better understanding,** within the ICT industry and public bodies, **of current quantitative and qualitative skill levels in Europe**.

- **Creation of awareness of the threats and opportunities in the growth of globalisation of ICT activity**; and the benchmarking of EU skill levels against competitor economies.

- Seeking of **public-private initiatives and investment by ICT industry players and the European Commission** to estimate future levels of demand. This would create better understanding of the impacts of cyclical market effects on practitioner supply and demand.

- **Training must be used more consistently** and it should be ensured that ICT skills are transferred right throughout business.

- **Concentration on the quality aspects of skill shortages, not just the quantity**. The ICT industry needs skills elites and people with the right level of excellence.

To get the balance of supply and demand right, policymakers in education, in regional and national governments and at EU level must address our future ICT workforce needs now. A greater supply of ICT professionals must be stimulated by the right research and development; a clear and pragmatic immigration policy; and cooperation between

professional bodies, trade unions and policymakers. The ICT industry itself can play an important role in coordinating the efforts of these groups by working closely with educational institutions.

ICT Workforce facts
Europe's ICT market is worth in excess of €500 billion per year and employs four million people, with the software and IT sector alone accounting for 2.8 million workers. In the decade to 2005, 1.7 million of these jobs were created. Any shortage in the supply of ICT professionals would limit the sector's development.

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