

## WHITE PAPER

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# Developer Job Market Quickly Shifting To The Cloud

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**As more companies move their IT functions to the cloud, a shortage of skilled cloud developers is driving up salaries and benefits, and positioning today's talent for future leadership roles. Developers who choose to acquire the right skills and experience now will gain significant advantages before supply catches up with demand.**

The impact of cloud computing in the business world has been actively debated for nearly a decade. After years of hesitation about whether and when to adopt cloud technologies, businesses and government organizations are now moving rapidly into the cloud and are showing no signs of turning back.

According to a recent survey, 60% of organizations will embrace cloud computing within the next five years – nearly double the number who reported this in 2009.<sup>1</sup> Seventy-four percent of CIOs said mobile computing and mobility solutions are “game changers” for their companies and reported that the *development of cloud applications* was their top cloud computing initiative.<sup>2</sup>

Reflecting these trends, developers who create solutions via cloud platforms from providers such as Amazon, Google, and salesforce.com, are in higher demand than ever, with cloud and mobile apps development expected to supply most IT career opportunities in the next five years.<sup>3</sup> Unsurprisingly, *actual demand* for cloud developers has exploded, growing by 365% since 2008, with demand projected to rise by another 90% in 2012, according to data collected by cloud staffing agency, Hire On-Demand. When the cloud debuted, early adopters tended to hire developers as part-time contractors. As late as 2009, fewer than 50% of hiring requests were for full-time cloud developers. However, over the last twelve months, these requests have jumped to 71%, and today it's not unusual for companies to hire whole teams of cloud developers instead of one or two individuals.

Unfortunately for employers, the growth in the pool of cloud developers has lagged the explosive growth in demand, which is a core reason that “identifying highly technical professionals takes two to three times longer than a typical search,” says Norman Jones, U.S. SaaS Recruiting Lead at Accenture.

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## WINDOW OF OPPORTUNITY

The future is bright for cloud developers, as companies aggressively compete to lure the best talent. Because cloud computing is still in its infancy, IT professionals who launch (or redirect) their careers today will be well-positioned to assume management or team leadership roles as the technology matures and becomes more widely adopted. “We value developers experienced with cloud technologies when making staffing and promotional decisions,” says Mike Leach, who joined Facebook in 2010 and now manages Facebook IT Engineering.

**Today, the gap between the supply and demand of experienced cloud developers is causing salaries and benefits to skyrocket,** especially in major metropolitan areas such as San Francisco, Seattle, Washington DC, and New York. However, the phenomenon is not just contained to major business hubs; developers living in more remote locales are seeing salaries increase by 200 to 300 percent. Cloud developers now command annual base pay of \$75,000 to \$150,000+ depending on their skills, experience, and location. In addition, cloud developers are often provided with significant benefits, including the ability to work from home (39 percent of employers were open to this in 2011), annual bonuses and signing bonuses<sup>4</sup>.

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While employers are seeking to hire cloud developers of all skill sets, the roles in highest demand include Lead Developer, Technical Architect, Solutions Architect, and Principal Consultant. The typical employer profile includes mid-to-large sized companies growing their internal cloud environment, implementation consulting firms with a Software-as-a-Service (SaaS) practice such as Deloitte and Accenture, and independent software vendors (ISVs) building applications to mass market. Jobs are abundant across all of these profiles.

## THE CATCH 22

Unfortunately, despite the growing demand for cloud developers, not all job seekers are guaranteed immediate employment offers. For individuals who already have cloud experience, many developers today are receiving multiple job offers. However, newcomers to the industry often face a “Catch-22” – employers want people who already have work experience, but the main way to obtain that experience is by working for those companies. What’s more, even though these organizations will often train their existing programmers in an effort to transition them to cloud technologies, they frequently hire outside talent for leadership roles.

**To overcome these challenges, experts advise job candidates to pursue one or more of the following steps:**

- Target companies that have already embraced cloud technologies.
- Volunteer your services in order to gain experience – and also to confirm that a particular career direction is right for you.
- Learn which skills your target employers are seeking, and acquire those skills. For example: if you have Java programming skills, but your target employers are using Force.com (salesforce.com’s platform), learn Apex, the Force.com language that is most similar to Java.
- Professionals with experience in on-premise IT may want to consider developing or enhancing their expertise in areas such as integrations, Single Sign-On, virtualization, application development, identity management, and cloud strategy architecture.
- Follow leading cloud providers via social media such as Twitter and Facebook.
- Attend industry conferences and seminars.
- Monitor job boards.
- Reach out to IT staffing firms.
- Pursue internships at tech-focused companies.
- Seek advice from professionals who have transitioned to cloud technologies.

## SUMMARY

Demand for cloud developers will likely remain high for the next five years, with another five years passing before supply catches up with demand. During that time, salaries and benefits will stay well above average, as will opportunities to advance into leadership roles. In other words, the future of cloud computing careers is very bright – as long as job candidates start preparing for that future today.

<sup>1</sup> 2011 IBM Global CIO Study: *The Essential CIO*.

<sup>2</sup> 2011 IBM Tech Trends Report

<sup>3</sup> Ibid

<sup>4</sup> Hire On-Demand 2012

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