



TECHNICAL TALENT SHORTAGE: Congress Should Support Policies That Address Systemic Technical Talent Shortage While Continuing to Meet Near-Term Needs

POLICY POSITION: TechServe Alliance urges Congress to support policies that addresses the systemic talent shortage including increasing resources for STEM education and training. Further, to meet near-term needs we ask that there be no policy changes that discriminate against U.S.-based IT and engineering staffing firms which should continue to have access to the H-1B visa program on the same basis as companies in other industries.

FREQUENTLY ASKED QUESTIONS

What is TechServe Alliance? Does it represent the large foreign outsourcers? TechServe Alliance is the national trade association representing **U.S.-based** IT and engineering staffing and solutions companies. **TechServe Alliance does not represent the large foreign outsourcers.** Its typical member is a small U.S. business with under \$10 million in annual revenue.

Why do companies use IT and engineering staffing firms? IT and engineering staffing firms provide essential functional and numerical flexibility to technical workforce. Client engagements like software development often consist of **discrete projects** that may require a wide range of different skills. There are hundreds of different IT and engineering skill sets. Because of the **limited duration** of most projects, it would not make sense for an organization to hire a large permanent staff of IT and engineering professionals possessing all of the skills that may or may not be needed on an on-going basis. To do so would be like permanently employing all of the trades that comprise a construction workforce because you may have an unidentified and undefined construction project sometime in the future.

Are IT workers who are placed through U.S.-based IT and engineering staffing firms cheaper? **No.** To the contrary, consultants (the term used to describe IT and engineering professionals working through a staffing firm) are **always more expensive. IT and engineering staffing is not about price.** It is about providing the **flexibility** needed to facilitate the rotation of varying skill sets as required for projects. IT and engineering staffing firms are proficient at finding **the right talent at the right time** for the job.

Aren't there plenty of available U.S. IT workers? Why do U.S.-based IT staffing firms use H-1B workers? Do IT staffing firms replace U.S. citizens with H-1B workers? There is an acute shortage of technical talent in high-demand skill sets. IT work, like construction and medicine, is highly specialized. Like a carpenter and electrician or an ophthalmologist and an orthopedist, IT professionals are not interchangeable—it often takes years to develop a sufficient level of expertise in a given skill set. Consequently, while the typical IT staffing firm's workforce may be overwhelmingly composed of U.S. citizens and permanent residents, access to H-1Bs in high demand skill sets is critical to assembling the team and timely completion of client projects in the U.S. ***Without access to these critical skills, more projects will be outsourced offshore—a highly undesirable outcome for both these U.S. companies and all of their IT workers—citizen and non-citizen alike. IT staffing firms do not replace U.S. citizens with H-1B workers. It is not our business model and we strongly oppose the practice.***

What should Congress do to address technical talent shortage? TechServe Alliance urges Congress to support legislation and funding for programs that encourage K-12 students to study and pursue STEM careers. Congress should also increase support for STEM education at technical colleges, community colleges, and universities with the goal of producing "work-ready" graduates. TechServe Alliance would welcome the opportunity to discuss and possibly endorse specific legislation.