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TALENT CRUNCH

A SHORTAGE OF TECH HIRES IS SQUEEZING LOCAL COMPANIES

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Hundreds of tech jobs are going unfilled on Long Island as industries from health care to retail increasingly use computer science in their operations.

The talent crunch will likely worsen after the giant online retailer Amazon establishes its 25,000-employee operation planned in Queens and Google adds up to 7,000 workers in Manhattan.

Despite the efforts of local colleges and universities, demand for tech workers has already outpaced supply, making competition fierce for the best software engineers, developers and data analysts, employers and educators said.

Higher salaries in New York City, combined with Long Island's dearth of rental housing and public transit options, put local companies at a disadvantage in recruiting and retaining workers, experts said. The median salary for Long Island workers in the computer sector was $82,790 in 2018, compared with $100,950 in the city, according to state Labor Department data.

"Long Island right now is at a negative unemployment rate as far as tech goes, and I would argue it has been for three to four years in certain disciplines of technology," said Steve Wigginton, founder of Accelerated Innovators Inc., a tech employee recruitment firm in Westbury.

"Everyone has jobs open."

While the number of jobs in computer science-related fields remains small in comparison with the overall number of jobs on the Island — 25,810 tech jobs in 2017 versus 1.3 million total jobs that same year — the sector is growing rapidly, jumping

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TECH from A31

17.5 percent from 2014 to 2017, said Martin Kohli, chief regional economist for the federal Bureau of Labor Statistics.

The number of computer and math jobs is projected to grow to 28,520 by 2024, according to state Labor Department data. Nationally, employment in those jobs is projected to increase by 13.7 percent, nearly double the 7.4 percent growth rate projected for all occupations, according to BLS.

"Employment in these jobs is going to grow nationally, and you'd expect it to grow on Long Island as well," Kohli said. "More companies are spending more money on things like internet security, cloud computing and artificial intelligence."

Transition could hurt

For Webair Internet Development Co. of Garden City, a provider of cloud computing and disaster recovery services, a new Amazon base here would be good for the growth of New York's tech industry but it could be "painful" during the Seattle firm's hiring phase, said chief operating officer Michael Ohayon. "My biggest concern is the initial rush."

Webair, which in 2017 announced plans to invest $20 million to expand its workforce and IT infrastructure over a four-year period, has about 50 employees.

Ohayon said some of his workers — many of whom commute from Queens and Brooklyn — and potential hires might turn to Amazon for opportunities. For a company of Webair's size, replacing even a handful of employees could be challenging.

"I don't have 10 team members doing the same thing," Ohayon said. "In general, the tech market is booming, and it's obviously going to continue to, so the talent that is on the bench is limited."

Seeing future benefit

Despite those potential early hurdles, Ohayon said Amazon's presence in the region could be a boon for the tech community in the long run, and as young employees start families, migration to the suburbs might alleviate some of the talent pool challenges.

"In the long term, it's going to attract more technical talent here," he said.

Anil Kapoor, president and chief executive of SVAM International in Great Neck, a provider of software and app development services, said today's marketplace for tech talent feels similar to the dot-com bubble of the mid-1990s.

"At that point in time, if you could spell software, you had a job. It feels the same," said Kapoor, whose company has more than 675 employees in the United States, India and Mexico, with about 90 on Long Island. "If you know your stuff, you have a job."

Much of the demand for tech workers, Kapoor said, has stemmed from the adoption of advanced computer technology and digital applications into the core business operations across all industries. And while the need for more custom-built software and data analytics has led to more business opportunities for his firm, it has also made keeping up with demand difficult.

Sales at privately held SVAM have seen double-digit growth, but the firm's bottom line has not risen proportionally as the strain of meeting his clients' expectations with limited employees has meant higher salary and overtime costs, Kapoor said.

"Retaining [employees] has become competitive," he said, adding city firms often pay 15 percent more for comparable positions. "Most of the talent gets absorbed by the city."

Graduates from the Island's colleges and universities are already a prime target for recruiters from some of the nation's biggest names in tech and finance, and Amazon's arrival will create even higher demand, said Nada Anid, vice president for strategic communications and external affairs at the New York Institute of Technology. NYIT and other institutions must find ways to meet that demand, she said.

Enrollment in NYIT's undergraduate computer science pro-

THE HUNT FOR TECH HIRES

A shortage of talent has left many LI jobs unfilled, and the problem could get worse

Analyst Ana Patricia Camero Garza works at SVAM International, a Great Neck app development and software engineering firm.
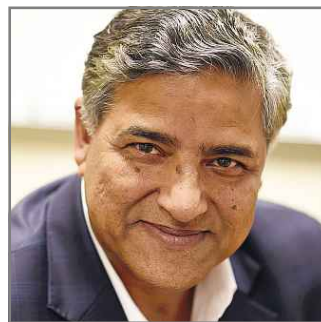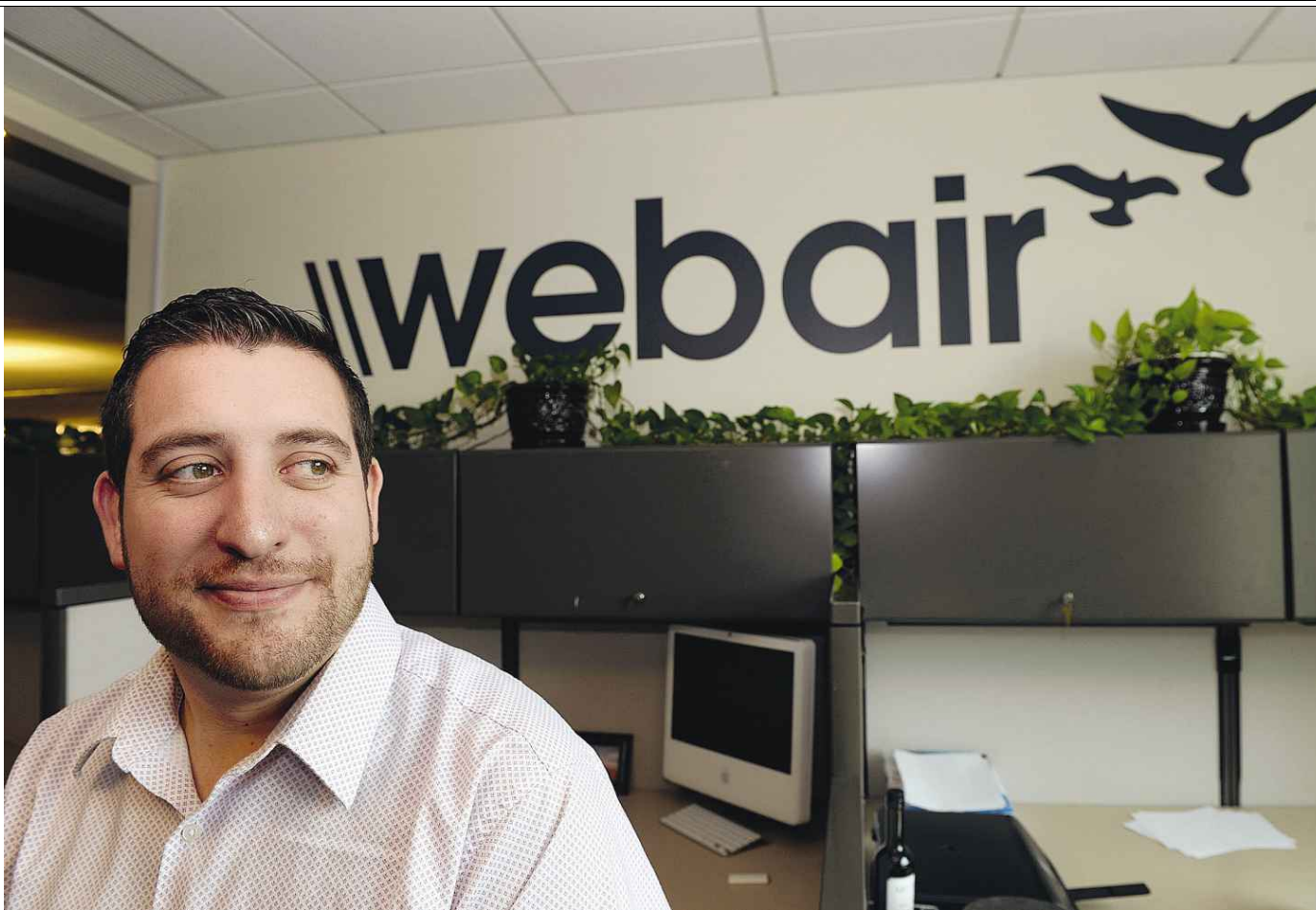
DANIELLE SILVERMAN

Bloomberg software engineer Alex Scarlatos of Brooklyn says he was offered a job months before he graduated from Stony Brook.

LINDA ROSIER

CEO Anil Kapoor: "If you know your stuff, you have a job."

DANIELLE SILVERMAN

TECH SECTOR WAGES

Job	LI median wage	NYC median wage
Computer programmer	$86,570	$92,550
Software, applications developer	$99,460	$121,810
Computer network architect	$100,810	$120,840
Web developer	$66,910	$80,800
Information security analyst	$96,360	$127,160

SOURCE: State Labor Department

Michael Ohayon says he expects some Webair workers and prospective hires could opt for Amazon in Queens.

gram has climbed from 329 students in the fall of 2014 to 472 in the fall of 2018. The school recently launched its master of science degree for data science and is growing its computer science offerings, including online courses to accommodate students, teachers and professionals needing a course, credential or certification.

Upside of new 'solar system'

Even with more graduates in the pipeline, LI firms will likely be forced to increase salaries as competition from New York City employers increases, Anid said. But there is an upside, she said, for smaller or medium-sized companies. "What I see happening is an influx of companies into Long Island because of its proximity to Queens and New York City," she said. "It's going to be this whole solar system that revolves around Amazon."

The private college, with campuses in Old Westbury and Manhattan, said it plans to contact Amazon about potential training and recruitment partnerships.

"It's like a new Wall Street is in town," Anid said.

At Stony Brook University — where computer science enrollment has grown from 1,236 students in 2013 to 2,085 in 2018 — it's common for companies like Google, Facebook, Microsoft and Amazon to be "on campus every semester attending recruiting events," developing relationships with students, faculty and staff, said Marianna Savoca, assistant vice president for career development and experiential education.

While certain factors on the Island, such as the high cost of housing or lack of transit options, can be barriers to finding talent, Island companies can make themselves more attractive by working more closely with local universities, she said.

"We do have a challenging landscape on Long Island, but I don't believe that's an excuse in our community as to why things aren't working well," said Savoca. "We can't change the fact that we sit east of the greatest city on the planet."

Small firms vs. big ones

For Long Island companies, traditional recruiting methods, like mailing letters about openings to the career center or showing up on campus for "just-in-time" hiring events, are ineffective in a competitive landscape, she said.

Big firms often snap up students months before they

graduate.

Alex Scarlatos, 23, graduated in May from Stony Brook's combined bachelor's and master's program for computer science and is now a software engineer at Bloomberg in Manhattan. "I was actually hired back in October [2017], many months before I finished my program," he said.

A Long Island native from St. James who now lives in Brooklyn, Scarlatos said he would have liked to stay on Long Island but higher city salaries and a more stress-free commute played a part in his decision to head west.

While some local firms share

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>
> — Michael Ohayon, chief operating officer of Webair Internet Development Co. of Garden City

concerns over the impact Amazon's arrival and Google's expansion could have, others see the likely influx of tech workers from elsewhere into the city as a benefit.

"If the tech talent wants to be here, I think in the long run that's going to be good for us," said Julie Taylor, chief human resources officer for Broadridge Financial Solutions Inc. in Lake Success.

Broadridge processes transactions for investment banks and delivers proxy statements and other documents to investors on behalf of public companies. About 4,500 employees in its global workforce of 11,000 are tech workers.

Taylor said while Amazon's plans will have an impact on the tech talent pool, her company's name recognition in financial technology, combined with its global scope, will likely shield it from short-term crunches in hiring.

"Diverse geography definitely de-risks the talent equation," Taylor said.

Focus on recruiting

For Northwell Health, Amazon's planned arrival is just another reason for the health care provider to redouble its recruitment efforts, said John Bosco,

chief information officer.

The New Hyde Park-based health system has about 2,000 employees in IT, and it has established a Health Information Technology Innovation Center. There, clinicians and technically skilled employees work together to test and integrate new technologies into Northwell's massive operation.

"Five years ago . . . many health care providers didn't need a lot of software engineers and developers, because they weren't developing a lot of their own systems," Bosco said. "But now health care is transforming so rapidly there aren't necessarily established vendors and products out there, so someone has to create them."

He said although Amazon may exacerbate an already difficult hiring landscape, the health system, which recruits about 120 tech workers each year, is looking for ways to mitigate barriers for future hires while trying to control its own costs.

Eyeing remote workers

"The idea that most of our IT employees need to be here on Long Island and in the New York City area in very expensive real estate and a very high wage environment just isn't feasible anymore," Bosco said. Looking at alternatives like a remote workforce and even offshoring some work could help in the future, he said.

"That is part of the solution and has been before Amazon," he said. The health system employs 200 tech workers offshore.

For smaller companies such as 25-employee eGifter, a Huntington provider of digital gift cards for national retailers, the biggest recruiting advantage is offering an environment different from larger firms, said Phil Rugile, head of recruitment for eGifter and director of LaunchPad Huntington, a co-working space for startups.

The high density of tech firms in New York City has led to a "feeding frenzy" of talent, Rugile said, but Long Island firms have a slightly easier time retaining workers once hired. Offering "a collaborative work environment" can be a major selling point for small firms.

"We have to find those folks who live on Long Island who might be working in the city now or who might be working with a big company and want to do something more innovative, or they're working in the city and they hate the commute," he said.