



Seeking Short-Term SAP Superheroes:

The Predicament of the SAP Gig Economy

2018

Table of Contents



WHAT EXACTLY IS THE GIG ECONOMY?	2
THE SAP LANDSCAPE HAS GIGS, TOO	3
THE CURRENT STATE OF SAP CONTRACT WORK	3
AND THE SURVEY SAYS...	3
CALLING ALL VENDORS: TALENT NEEDED TODAY	6

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What Exactly Is the Gig Economy?

Most people have experienced or participated in the gig economy in some way, shape, or form. You probably know someone who has branded themselves as a consultant. Or maybe you have participated in the gig economy yourself in the past without realizing that's what it was called. Mowing a neighbor's lawn, driving for a ride-sharing service, or babysitting to earn some spending money—that's the gig economy.

The Cambridge Dictionary defines a gig as “a job, especially one as a performer or one that lasts only a short time.” We might think of a musical performance from a band as a gig in the most traditional sense, but this concept has expanded to apply to all sorts of jobs.

And the gig economy is flourishing. Companies like ZipRecruiter and Upwork can help you find freelancers to do all kinds of professional work. Others, such as TaskRabbit, act as an online marketplace where you can match the right people to your needs so you can get physical chores done for you in a matter of hours. In fact, TaskRabbit became so successful that it was purchased in September 2017 by IKEA Group, largely due to its primary gig request—assembling IKEA furniture.





THE SAP LANDSCAPE HAS GIGS, TOO

There's also an active gig economy within the SAP ecosystem. SAP can connect technology buyers to the systems and products they need, but these types of purchases often require additional implementations, integrations, and ongoing updates. SAP doesn't always provide technical support of this kind to its customers, and even when it does, it might not be the most efficient use of resources on either end. That's where contract workers with specific SAP expertise come into play.

SAP contract workers fill a need that comes not only from the demand for short-term SAP projects, but also from a skills gap that exists in the IT marketplace in general. Global Knowledge's 2017 Salary Report¹ details that more than two-thirds of IT decision-makers responding to their survey recognize a gap between their team's skill levels and the knowledge required to achieve organizational objectives. Most SAP consultants who venture out on their own have unique skills that are in high demand, such as SAP S/4HANA implementation.

THE CURRENT STATE OF SAP CONTRACT WORK

Given that there's a clear need for the gig economy within the SAP ecosystem, it makes sense to understand how well it's operating. Americas' SAP Users' Group (ASUG) conducted a survey in November/December 2017 to understand what those who hire help from this segment of the gig economy think about the current state of SAP contract work.

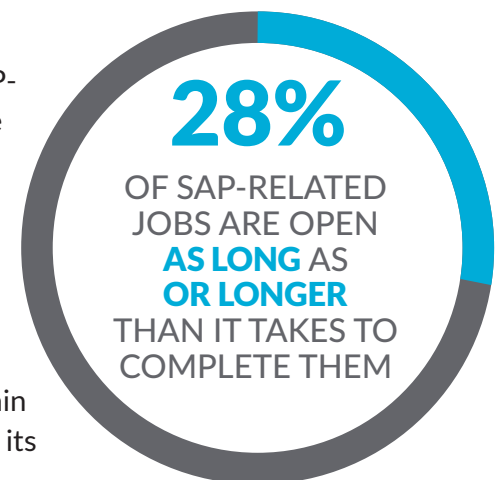
AND THE SURVEY SAYS...

ASUG collected responses from 109 participants who are both members and non-members of ASUG, the world's largest independent SAP user group. To take part in the study, our participants needed to have significant influence in the decision-making process for staffing SAP-related projects. Our study revealed these key insights:

Insight 1: There's a need for speed. The actual hiring process is a lot slower than it can and should be. Nearly three-fourths of all SAP-related jobs last somewhere between four and 12 months, with the greater percentage of those falling in the four- to six-month range. Yet, many of these jobs are open for a minimum of one or two months before they are filled. In fact, 28 percent of all SAP-related jobs are taking as long or longer to staff than they do to complete.

For companies eager to take advantage of new SAP technologies or transition systems to the cloud, waiting this long to fill a job can be a drain on resources and reduce the potential ROI a company can achieve from its SAP investments.

Figure 1: Open Time for SAP Jobs

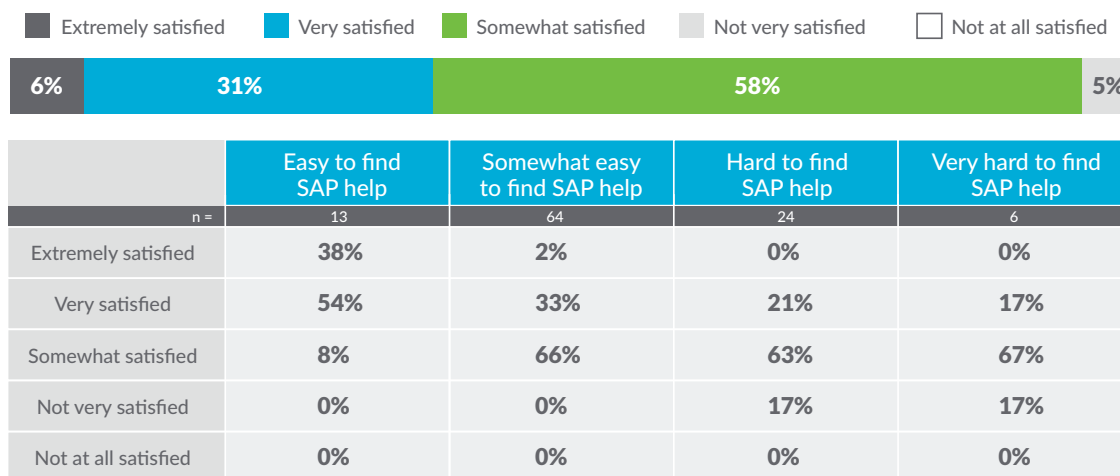


¹ https://mindhubpro.pearsonvue.com/v/vspfiles/documents/2017_Global_Knowledge_SalaryReport.pdf



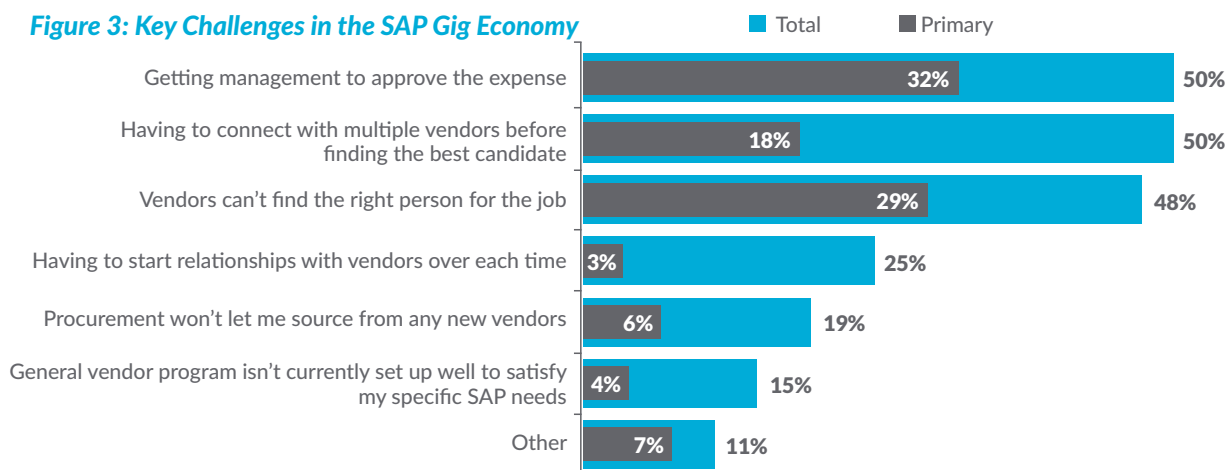
Insight 2: Easy-to-find help leads to satisfied hirers. Not surprisingly, satisfaction is related to finding good help. Most companies hiring for SAP-related jobs are at least somewhat satisfied with the current hiring landscape, and many find it at least somewhat easy to meet their planned hiring goals for SAP projects. More than a quarter of companies find it hard or very hard to meet their hiring goals for their SAP projects, which has a direct correlation with their satisfaction. Those who find it hard or very hard to get the help they need are overwhelmingly more likely to say they are “somewhat satisfied” or “not very satisfied” with the current hiring environment for their SAP work. This indicates that perceptions about the current state of SAP-project staffing will improve if it’s easier and faster to find the right person to fill a job.

Figure 2: Satisfaction with the SAP Gig Economy



Insight 3: Companies want to keep the hiring process simple. Finding the right person for the job could be easier, too. According to survey participants, finding the right person for an SAP job is one of the top three staffing challenges, right up there with getting management to approve the expense. This suggests that, not surprisingly, quality of the candidate is a strong secondary need, after speed of hiring.

Figure 3: Key Challenges in the SAP Gig Economy





Another key challenge we discovered is related to sourcing talent: having to connect with multiple vendors to find the right person.

Interestingly, for those who state that finding the right person for the job is their primary concern, this does not have an impact on satisfaction—those who are more satisfied and less satisfied both see this as a challenge on equal levels. Where there is a difference, however, is where companies need to source SAP contract workers from multiple vendors. Those who are less satisfied with the current landscape find this more often to be their primary challenge than those who are more satisfied. The implication here for the SAP gig economy is this: If companies can reduce the number of vendors they have to contact to find high-quality talent, the greater their satisfaction will be.

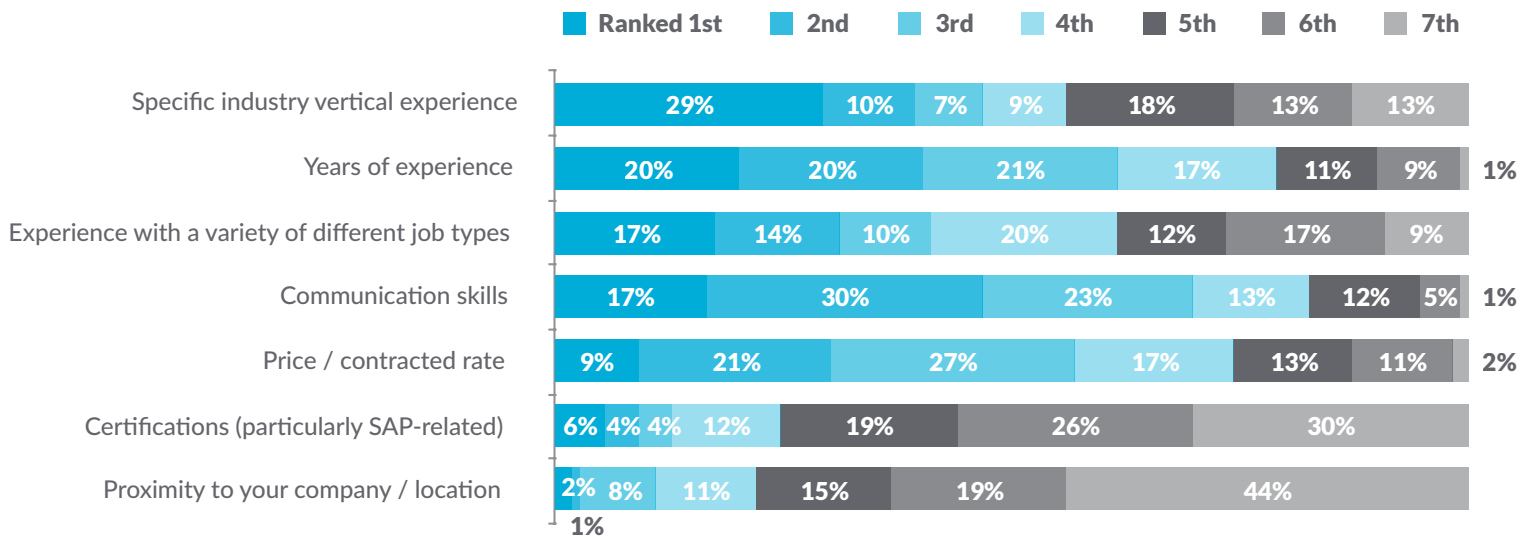
Figure 4: How Challenges Relate to Satisfaction for Hiring Companies

	Total	Extremely / very satisfied	Somewhat / not very satisfied
n =	109	41	68
Getting management to approve the expense	32%	37%	29%
Vendors can't find the right person for the job	29%	29%	29%
Having to connect with multiple vendors before finding the best candidate	18%	15%	21%
Procurement won't let me source from any new vendors	6%	7%	6%
General vendor program isn't currently set up well to satisfy my specific SAP needs	4%	2%	4%
Having to start relationships with vendors over each time	3%	5%	1%
Other	7%	5%	9%

Insight 4: It's not all about the money, but price still matters. The price of the consultant, while important, is not the most critical factor to selecting one candidate over another. When asked to rank seven attributes based on order of importance when selecting consultants for SAP work, price was only ranked first by less than 10 percent of the audience, placing it fifth on the hierarchy behind things like experience (years and specific industry vertical), communication skills, and breadth of knowledge. When looking holistically at the rankings, price is ranked in the top three as often as any other attribute, putting it on par with communication skills and years of experience. Even though price is not the most important consideration in the SAP-related gig economy, it still ranks as a relevant factor in staffing conversations, behind speed and quality.



Figure 5: Key Expectations from SAP Contract Workers



CALLING ALL VENDORS: TALENT NEEDED TODAY

These research insights paint a picture of not only the needs that hiring companies face when looking for contract workers for SAP-related projects, they also detail a realistic potential hierarchy of needs. Given the need for real-time insights and the costs associated with having unimplemented software on hand, speed is the most critical issue in the SAP gig economy.

Quality is next in line, because finding the right person for the job is a significant challenge. But companies must also be able to source this talent in a timely manner—this is what’s behind their desire to reduce the number of vendors necessary to contact before a hire. Finally, price is still a necessary component of the decision-making process, but perhaps third on the list behind speed and quality. A company that’s satisfied with the experience of sourcing SAP contract talent will likely encounter a solid balance of all three of these aspects when filling their staffing needs. As a result, those who are planning to hire should look for vendors that are able to adapt and respond to these demands to give them the quickest path to the right people at a reasonable rate. Today, companies that depend on the gig economy have come to expect nothing less, and it is time for vendors staffing for SAP-related work to deliver.

Figure 6: Hierarchy of Needs in the SAP Gig Economy





ABOUT ASUG

Founded in 1991 by a group of visionaries and pioneers who understood the potential of SAP's enterprise systems, ASUG is the world's largest independent SAP user group today. ASUG helps its 100,000+ members from thousands of organizations get the most from their investments in SAP technologies. Visit ASUG.com for details.



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