MANAGING IT PROFESSIONALS. CASE OF LATVIA.

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Goal:

to describe the motivation structure of IT professionals in Latvia from two points of view: from the point of view of IT specialists themselves and from the point of view of HR managers working on attracting and managing IT specialists.
ICT SECTOR IN FIGURES

6500+ Number of ICT companies
600+ m€ ICT labour costs
39.9 k Employed in ICT
270 m€ ICT sector profit

4.1% of GDP
7% of all taxes paid by ICT sector
3.6+ b€ ICT turnover

Source: CSB, 2017; SRS, 2017-2018

1 b€ ICT product exports
625 m€ ICT service exports

47% vs 53% ICT exports vs domestic turnover
TOP 3 exporter among all sectors

LIKTA
LATVIAN INFORMATION AND COMMUNICATIONS TECHNOLOGY ASSOCIATION
Topicality: Significance of IT industry and IT employees in modern business environment and economy in general.

- The number of employees in IT sector in Latvia for the last 10 years has increased by 58% (Central Statistical Bureau, 2020)
- The share of IT sector in Latvia’s GDP has increased to 4.1% (Central Statistical Bureau)
- 98% of Latvian companies use a computer and Internet in their work and two thirds of companies have their own page on the Internet (Central Statistical Bureau, 2020)
- High demand for IT employees
Theoretical Framework

- Labor productivity studies (Kohls, G. et al., 2013, Aydin, Tiryaki, 2018, Valle, Perrewe, 2016, Sung at. el., 2015)
Methodology

• Qualitative methodology: series of semi-structured interviews
• Interviews with IT professionals: 30 interviews: 25 men and 5 women, 10 people aged from 20 to 30, 10 people aged from 30 to 40 and 10 people over 40;
• Expert interviews: 12 interviews: middle and senior managers, HR specialists connected with management of IT professionals.
Results. IT professionals’ point of view.

- Professional achievements: challenges, complexity of tasks, clearly set goals.
- Opportunity for professional growth: training, the opportunity to get new knowledge, skills; participation in conferences; compensate time spent by employees on self-training.
- Loyalty: professional goals need to match the goals or mission of the management of the organization.
- Material motivators: adequate salary; cancellation of bonuses, threats of dismissal do not work.
Results. Managers’ point of view.

- Demand is high and there is a competition for good workers;
- Freelancers can sometimes earn more than specialists working in staff;
- It’s necessary to create certain conditions comfortable for these employees;
- Good interpersonal relationships in the company, psychological comfort;
- Hard to motivate only with material motivators;
- Generational aspect is significant
Conclusion

✓ IT professionals have needs for achievements and needs for belonging dominate over others;
✓ Managers should constantly challenge them by offering complex projects that require from employees skills they do not have;
✓ Managers should create comfortable conditions, minimize control, focus on what IT employees do, not how they do it;
✓ Managers should provide opportunities (formal and informal) for studying and knowledge exchange.
Thank you for your attention!