

# Companies look outside Central Texas for employees

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Austin semiconductor design startup Tehuti Networks Ltd. is ready to ramp up. Only one thing stands in the way — finding qualified workers.

Blaine Kohl, vice president of marketing and sales at Tehuti, says the company might turn to recruiters for help. The company recently added four employees for a total of 18.

"It's been extremely difficult to find good people. Finding the right mix of experience relative to the cultural environment has been really tricky," Kohl says. "I think it's harder because the skill set you need is much more specific."

Although Central Texas isn't witnessing a repeat of the hiring frenzy of the late 1990s, more and more local high tech employers such as Tehuti are hunting for qualified workers — and having a hard time finding them.

Due to an enrollment slump in high tech courses at area universities and colleges, many high tech companies in the region are spending an inordinate amount of time and money trying to find highly specialized help.

As a result, companies are looking outside Central Texas. Tehuti, for example,

is taking its search nationwide.

"It's getting critical for us because we have a product that's going to market," Kohl says. "We have to have these people on the ground quickly."

Staffing firms in Austin have seen a demand for skilled labor in sectors such as manufacturing, administrative support, engineering and information technology. As a result, companies in Austin once again are competing against each other to recruit top-notch employees.



**Kohl**

"It's slow and steady growth. It's not like it was in the late '90s, where the pace was breakneck speed," says Shirley Sanders, manager of the Austin branch of staffing services company Manpower Inc.

In Austin, Manpower is seeing an increase in staffing requests from local employers. Requests from the semiconductor industry alone are up 50 percent from last year, she says.

Sanders says the availability of skilled labor and retention of employees are two of the foremost challenges facing companies in Austin. Sanders says Manpower is working on setting up workforce development programs in partnership with area colleges to address the shortage of

skilled labor.

Because of the increase in demand and the shortage of labor, companies recruiting outside Austin, says Jim Lanzalotto, vice president of strategy and marketing at Yoh Co. LLC, a Philadelphia-based provider of talent and outsourcing services.

According to Yoh Co, Austin now has one of the highest demands for high tech employees. Lanzalotto says the jobs currently in the greatest demand include those involving C/C++, .Net and Oracle database administration.

Lanzalotto says one significant change in hiring practices is that companies have shifted from hiring people with basic skills to seeking highly specialized workers with knowledge of certain technologies.

"It's creating almost an 'uber-specialization,'" Lanzalotto says. "You get these folks that are so good at what they do and that are so specialized that it becomes tougher to find, especially in a market like Austin."

If a major employer were to beef up its presence in Austin, Lanzalotto says, it would have a tremendous effect.

"I believe two things will happen. One, the supply will increase because people will come in from other markets. And two, the bigger issue is that the influx of people will push wages higher."