Each year the Scottish Technology Industry Survey provides a measure of the industry’s health and performance during the last year and expected development during the current year.

This survey has been conducted for more than 10 years, providing a valued resource for business leaders, investors and public sector stakeholders, and a great basis for identifying trends.

ScotlandIS would like to thank everyone who took part in this year’s Scottish Technology Industry Survey for their invaluable input. We received 205 responses in January and February 2018.

The survey results help ScotlandIS to represent the digital technologies industry better and provide support to members and the wider sector to grow their businesses and thus contribute to Scotland’s economic growth. Please read more about our activities in response to the issues raised by survey participants at the end of this report.
Continued growth and optimism in domestic and international markets

The results of this year’s survey show high levels of confidence in Scotland’s digital technologies industry with 80% having a very optimistic or optimistic view for 2018 (up from 78% last year). 86% of respondents forecast increased sales over the next 12 months (up from 82%) and the share of businesses expecting sales growth of more than 20% has nearly doubled compared to the 2017 survey. 68% of responding companies reported increased sales during the last 12 months although the level of increase was slightly lower than in 2016. The trend in profit margins performance is largely similar between 2016 and 2017.

Engagement in international markets remains at a high level with 64% of businesses reporting they are already exporting and another 17% planning to do so in the future, in line with last year’s results. The top three current export markets remain the same as in previous years, Europe, Rest of the UK (RUK) and North America, but Europe now leads the ranking, having moved slightly ahead of RUK.

Demand for talent rising

2018 looks set to be another strong year for employment growth, with 80% of respondents forecasting they will increase employee numbers, up from 78% in 2017, and 66% in 2016. None of the responding companies expect to decrease employee numbers this year.

Demand for graduate recruitment remains strong (73% definitely or quite likely to recruit graduates in 2018) and has been consistent over the last five years. Demand for modern apprentices has continued to increase since 2016 with 46% of respondents definitely or quite likely to recruit an MA in 2018, up from 38% in 2017 and 29% in 2016.

Scotland remains the most common location for new staff with 70% of respondents expecting to find the majority of new hires here. The results also show increased confidence in recruiting from Europe and the rest of the world, following a decline in 2017 from previous levels. 19% forecast majority of new staff to come from outside the UK, up from 8% last year.

TOP TRENDS

Demands for talent rising

The two most important skills sets for this year’s respondents are software and web development and commercial and business support skills, with 74% of businesses having some or high requirement for these skills. In terms of specific coding languages, Java, JavaScript and Python are most in demand, similar to 2017. Looking beyond software and web development, cloud computing, cybersecurity and data related skills (data analytics, SQL, R) are also increasingly sought-after.

The most in demand commercial skill set is digital marketing, closely followed by account management and solution selling. Overall, marketing related skills seem to be in higher demand than sales related skills.

Skills requirement

The two most important skills sets for this year’s respondents are software and web development and commercial and business support skills, with 74% of businesses having some or high requirement for these skills. In terms of specific coding languages, Java, JavaScript and Python are most in demand, similar to 2017. Looking beyond software and web development, cloud computing, cybersecurity and data related skills (data analytics, SQL, R) are also increasingly sought-after.

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The most in demand commercial skill set is digital marketing, closely followed by account management and solution selling. Overall, marketing related skills seem to be in higher demand than sales related skills.
Scotland’s digital technologies sector

Scotland’s digital technologies sector includes software, IT services and consultancy, telecommunications and digital agencies. In 2017, about 9,400 digital technologies businesses were registered in Scotland which makes up 5.4% of the business base in Scotland and 5% of the UK’s digital technologies business base. Approximately 40% of the businesses (3,800) have more than one employee. According to data from the Office of National Statistics (ONS), ‘computer programming and consultancy’ is the largest sub-sector, making up 86% of all digital technologies businesses (employing 57% of the tech workforce) followed by ‘telecommunications’ with 4% of the company base (32% of the workforce).

Between 2010 and 2017, the number of digital technologies businesses in Scotland grew by 60% or approximately 3,500 companies. The ‘computer programming and consultancy’ sub-sector was the fastest growing sector, up 68% from 2010.

In 2016, the digital technologies sector contributed £5.9bn to the Scottish economy, more than 4% of total GVA. GVA per head generated in the digital technologies industry is c. £78,000, nearly three times the Scottish average of c. £28,000. The sector’s GVA is forecast to grow to 38% over the period to 2024, making it the fastest growing sector in Scotland; more than twice the rate of 17.5% for the economy overall.

8% (or £2.3bn) of Scotland’s international sales was generated by digital technologies companies in 2016. 39% of these exports go to EU countries and 61% to the rest of the world. Sales by digital technologies businesses in Scotland to the rest of the UK have a value of £2.2bn. Since 2010, international sales have grown by 7% and sales to RUK by 36%. However, actual export figures for the digital technologies sector will be higher since the majority of sales are in the form of services, which are not comprehensively captured by official trade statistics.\(^1\)

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1 Please see the chapter on methodology at the end of the report for details on the definition of the digital technologies sector and sources of the figures in this industry overview.

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Headquarters location

The digital technologies sector is located in Edinburgh & Lothians (40%), followed by the Greater Glasgow area (19%), and the Aberdeenshire and Grampian areas (13%). The number of respondents in the Highlands and Islands region has increased from 1% in 2017 to 5% this year.
Main activity of business
Software solutions and services (20%) and Software Products (14%) continue to be the most significant activities respondents are engaged in.

For this year’s survey we introduced several new categories to capture the variety of businesses in our sector better. Therefore, the figures for 2017 and 2018 are not directly comparable.

New categories for 2018 survey
- Cyber/information security (4%)
- Data science (e.g. analysis, visualisation, modelling, etc.) (4%)
- Digital agency (2%)
- Digital media (2%)

Sectors being supplied
The industry supplies a wide range of sectors - the top three being the public sector (13%), financial services (11%) and professional services (10%). Compared to 2017, more respondents are supplying the manufacturing and logistics sector (up from 6% to 8%), and business with the professional services and energy & utilities sector has increased slightly. Several sectors have seen small declines in their proportion as end markets e.g. a decline in share of businesses supplying financial services from 13% to 11% and from 15% to 13% for public services.

Asked about expected demand for the next 12 months, 84% of respondents supplying the professional services sector expect an increase, followed by 72% of those supplying the IT and telecommunications, energy and utilities (71%) and manufacturing and logistics (71%) sectors. A decline in demand is anticipated by 13% of media and entertainment and tourism and leisure sector suppliers.
Sales levels
68% of companies reported increased sales for 2017, compared to 72% in the previous year. However, the level of sales increases was higher than in 2016, with 27% of businesses reporting an increase of more than a fifth in 2017 as opposed to 20% in the previous year. At the same time, more companies reported a decrease in sales (16%) than in 2016 (11%).

2017 Sales - Actuals compared to budget at the beginning of 2017
Compared to 2016, more respondents (43%) reported that actual sales were as good as or better than forecast (30% in 2016). For 35% of businesses, actuals were very much in line with their original forecasts, compared to 47% in 2016. Further, 22% reported actual results were worse than expected.

Profit margin performance in 2017 compared to 2016
The trend in profit margins performance is largely similar between 2016 and 2017. 47% of businesses reported an increase in profit margins in 2017 (48% in 2016), with 34% indicating margins staying much the same (38% in 2016). There was a slight increase in the share of respondents experiencing decreasing profit margins.
A significant number of respondents have been able to increase profit margins over the last three years, whilst the share of businesses experiencing significantly decreasing margins has remained at a low level across all three years.
About 40% of respondents linked their optimism to the introduction of new products, strong demand for existing products or services or a growing market. 18% highlighted new opportunities created by changes in market dynamics or regulatory environments as reasons for optimism.

In line with last year, the current political situation was mentioned by about 10% of respondents as a reason for pessimism, mostly Brexit but also concerns about the US political situation and a potential second independence referendum in Scotland.

The three key challenges for 2018 are staff recruitment and retention, mentioned by 45% of respondents, followed by sales and winning new business (34%) and the current political situation (17%). These were also the most commonly cited challenges for 2017. However, recruitment and retention increased in importance by 9%. New topics mentioned by this year’s respondents are regulations, for example GDPR (6%), and staff training and skills development (4%).

Similar topics are key challenges for the leadership of responding companies, with 23% of respondents citing leadership challenges connected to managing growth and business scaling, followed by 19% mentioning staff recruitment and retention.

Optimism has increased since last year with 80% of businesses having a very optimistic or optimistic view for 2018, compared to 78% in 2017. At the same time, the share of respondents having a pessimistic or very pessimistic view for the current year has decreased from 11% to 9%.

Expected change in sales over the next 12 months

Businesses are even more optimistic than last year about expected sales levels for the next 12 months, with 86% of companies predicting an increase and 10% expecting sales to stay the same. The share of respondents expecting sales growth of more than 20% has nearly doubled compared to the 2017 survey.
Export levels

Engagement in international markets remains high with 64% of businesses reporting they are already exporting and another 17% planning to do so in the future. These results are nearly identical to those in 2017 and only slightly lower than in 2016.

Export markets

The top three export markets remain the same as in previous years, the Rest of the UK (RUK), Europe and North America, but Europe now leads the ranking, having moved slightly ahead of RUK. Looking forward, these three geographies are also seen as the most attractive markets in 2018.

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<tr>
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<td>51%</td>
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<tr>
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</table>
Digital technologies employment in Scotland

In 2016 (the latest available ONS data), 63,000 people were employed in digital technologies companies; approximately 60% in technology focused roles and 40% in non-technology roles. The number of people working in digital technologies roles across the whole economy (including in the tech sector) is even higher, at around 90,000 people, representing 4% of the Scottish workforce and growing rapidly (by 10% between 2015 and 2016).

40% of people in digital technologies roles work in the tech industry whereas 60% are employed in other sectors, e.g. financial services and healthcare. This highlights that digital technologies are increasingly essential to all sectors of our economy. The number of people in technology related roles is now growing at a faster rate in non-tech sectors than in the digital technologies industry itself.

Digital technologies roles offer both a wide variety of career opportunities and above average compensation. In 2016, the average annual salary for digital technology jobs was £37,500, 30% higher than the Scottish average of £28,000. Since 2010, digital technologies salaries have increased at a faster rate (15-20%) than salaries across the wider economy (11%).

12,800 digital technologies job opportunities are created every year, partly in response to people retiring from or leaving the industry but also through growing demand for these skills. However, not enough college and university leavers, apprentices and career changers enter the labour market to keep up with this demand. For example, of 4,381 computing science graduates leaving Scottish universities in 2014/15, only 73% moved into employment (another 16% going onto further studies). More positively, the number of digital technologies modern apprentices (MAs) almost doubled between 2013/14 and 2015/16. The overall number is still low (950 MAs) but the trend is upwards.

At the same time, the proportion of women in digital focused roles is 18% as opposed to 48% in the workforce as a whole. There is an enormous opportunity to meet many of the industries skills needs by resolving this issue.

ScotlandIS is involved in a variety of initiatives to address the digital technologies skills gap. Further details can be found in the chapter “ScotlandIS commentary” at the end of this report.*

*Please see the chapter on methodology at the end of the report for details on the definition of the digital technologies sector and sources of the figures in this employment overview.
Recruitment of graduates
Demand for graduate recruitment remains strong with 73% of all businesses reporting they are definitely or quite likely to recruit graduates in 2018. This demand has remained stable over the last five years.

Demand for both operatives/experienced staff and graduates remains very strong with 73% of businesses citing a need for each of these categories.

Recruitment of Modern Apprentices
The demand for modern apprentices is considerably lower than for graduates but it has continued to increase from 2016. 40% of respondents reported that they are definitely or quite likely to recruit modern apprentices in 2018, compared to 38% in 2017.

Tackling the technology gender gap
Given the skills gap in our industry and overall low proportion of women in digital technologies roles, we asked survey participants this year about their use of and experience with measures to attract more female staff.

The most common policy is to offer flexible working patterns that are compatible with child care commitments (to all staff, not only women). 55% have tried this measure and found that it helps and only 6% of respondents are unlikely to try it. Medium-sized and larger businesses are particularly likely to offer flexible working. Around a quarter of responding companies provide female role models for engagement with schools and universities and support initiatives like Scotland Women in Technology (SWiT) or Girl Geeks.

The least used measure is the provision of return-to-work training for women after a career break (15%) even though 71% of respondents would consider this step.
Most in demand skill sets

The two most important skill sets for this year’s respondents are software and web development and commercial and business support skills, with 74% of businesses having some or a high requirement for these skills. Compared to 2017, demand for software and web development decreased slightly (-6%) while demand for commercial and business support skills increased marginally (+2%).

Demand for project management skills remains at a high level (60%) but it decreased by 6% compared to 2017. There seems to be an increasing need for executive management and leadership skills which have seen an increase of 8% since last year.

Amongst larger companies the greatest demand is for software & web development skills (86%) followed by project management (80%) and infrastructure support & management (68%).

Medium sized businesses report strong demand for software & web development skills (74%) followed by commercial and business support skills (72%) and project management skills (67%).

For smaller businesses, commercial and business support (77%) and software and web development (72%) are the most in demand skill sets. Infrastructure support and executive management skills are required by 55% respectively to aid business growth in smaller companies.

Technical skills

Analysis of respondents’ technical skills requirements showed a continuing strong demand for software and web development skills, with java, javascript and python being most in demand, similarly to 2017. Looking beyond software and web development, cloud computing, cyber security and data related skills (data analytics, SQL, R) are in strong demand.

Commercial skills

Businesses report that the most in demand commercial skill set is digital marketing, closely followed by account management and solution selling. Overall, marketing related skills seem to be in higher demand than sales related skills.
In this year’s survey we asked participants for the first time about their innovation activities and their awareness and use of innovation support mechanisms and partners. Nearly all respondents, 96%, were engaged in innovation activities in the past 12 months, mostly in Scotland. New services were developed by the largest share of businesses (54%), followed by new products (46%) and organisational and process innovation (39%). 10% of respondents indicated that they undertake all innovation outside Scotland, which mainly includes larger companies. Medium-sized and larger businesses were less likely to have developed new products and services than the survey average but medium-sized companies were more likely to have undertaken organisational or process innovation.

The most commonly used innovation support is other companies, such as suppliers, partners or customers (used by 60% of respondents), Scotland’s enterprise agencies (52%) and R&D tax credits (47%). Together with universities, these organisations and mechanisms are also the best known whereas businesses are less aware of Interface, the Catapult Centres and EU support and funding.

In comments on their experiences with these mechanisms, respondents mention lengthy and costly application processes, limited support for smaller companies and limited understanding of businesses needs and ways of working. The support landscape was also described by several respondents as difficult to navigate with sometimes overlapping responsibilities.
Reflections on 2017

2017 was a good year for smaller businesses, with 64% reporting an increase in sales (down 2% from 2016) and 49% increasing their profit margins (up by 2% since last year). 49% have an optimistic outlook for 2018 (up from 78% in 2016).

International sales

57% of smaller businesses are selling internationally, which is in line with figures from previous years and 7% lower than for all businesses that responded to the survey. The percentage of smaller companies that do not currently export and are unlikely to do so in the future remained stable at 16%.

People and skills

77% of small businesses expect to increase employee levels, slightly down from 84% in 2017. This is due to an increase in the number of businesses not planning to change staff numbers (up from 16% to 23%). Most of those who are planning to hire, expect to take on up to 5 additional staff. None of the companies who responded expect to reduce headcount in 2018. 66% of respondents are likely to recruit graduates (up from 62% in 2017) and 30% are likely to take on modern apprentices (up from 23%).

Sales outlook for 2018

87% of smaller businesses expect their sales to increase over the next 12 months, 4% anticipate they will stay the same, while 9% forecast a decrease in sales. Overall, this is a similar outlook to last year. Again, more smaller businesses (44%) predict sales growth of 21% or more compared to the survey average of 35%.

Financial environment

Turnover for 95% of smaller businesses was in the region of £0-£5M. However, there is a marked contrast with the bulk of businesses either in the £0-£250K or £1M-£5M bands. The figures have not changed significantly since last year.
Funding model
Funding for 73% of smaller businesses is generated from founders’ capital and retained profits and only 5% rely mainly on venture capital. These figures have remained stable over the last few years.

For the majority of smaller businesses seeking additional finance, e.g. for growth, private investment such as angel or founder capital is the preferred option (56%), followed by grant funding (48%), bank funding (29%) and venture capital (22%).

Cashflow compared to last year
Smaller businesses reported little change in their cashflow compared to 2016. 48% experienced some improvement while just 4% reported substantial difficulties. However, the share of companies reporting cashflow to be somewhat more difficult increased from 6% to 16%.

2017 sales levels compared with 2016
In 2017, 64% of smaller businesses reported an increase in sales compared with 2016, which is slightly down from the previous year (66%). The share of businesses seeing sales levels fall (17%) has nearly doubled, even though the overall figures remain at a low level.

Actuals compared to budget
In 2017 actuals compared to budget stayed close to the predicted levels for 33% of smaller companies with increases reported by 44%, 15% higher than in 2016.
Reflections on 2017

2017 has been a good year for medium-sized businesses with 73% reporting an increase in sales and 51% increased profit margins. 84% of this year’s respondents are optimistic about 2018.

International sales

The share of medium-sized businesses that are already exporting decreased, from 69% in 2017 to 66%; however slightly more companies are planning to export in the future (11% in 2018, 10% in 2017).

People and skills

93% of medium-sized businesses expect to increase employee levels which is significantly higher than in 2017, when only 79% were expecting headcount increases. Most of this year’s respondents, 79%, expect to take on up to 20 additional staff and none of the respondents expect employee levels to decrease.

84% of respondents are likely to recruit graduates, up from 76% in the previous year. 60% are likely to take on modern apprentices, up from 40% in 2017, which is the second significant increase in a row.

Sales outlook for 2018

86% of medium-sized businesses expect their sales to increase over the next 12 months, this is up from 81% last year and in line with the survey average of 86%. The share of medium-sized companies predicting their sales will stay the same reduced from 15% in 2017 to 10% this year.

Financial environment

Nearly all medium-sized businesses (97%) have a turnover greater than £154 and 25% have a turnover of more than £20M.

Benchmark 2: Medium-sized companies

Benchmark 2: Medium-sized companies
Funding model
Funding for medium-sized businesses is largely generated from founders capital and retained profits (65%) followed by a mix of business angel, bank and loan funding at 11%.

The majority of medium-sized companies seeking additional finance in 2018 identify bank funding (overdraft and medium term loans) as the preferred option (48%), followed by grant funding (39%) and private investment such as angel or founders capital (26%).

Cashflow compared to last year
Medium-sized businesses reported a better cashflow situation compared to 2016. 51% reported improvements (up from 41%) while 12% reported difficulties, down from 19% in 2016.

2017 sales levels compared with 2016
In 2017, 73% of medium-sized businesses reported an increase in sales, down from 84% in the previous year. 16% report a decrease in sales, up from 11% in 2016.

Actuals compared to budget
In 2017, actuals compared to budget increased for 46% of medium-sized companies and decreased for 22%. This compares to 2016 when only 29% reported an increase and 32% a decrease.
Reflections on 2017

2017 was another good year for larger companies. 78% reported an increase in sales (up from 68%) and 37% reported their actual 2017 performance was better than forecast (up from 32%). 35% increased their profit margins, a similar figure to 2016. 63% have an optimistic outlook for the next twelve months; 11% lower than in the previous year.

International sales

Most larger businesses (89%) reported that they are already selling internationally whilst 11% are unlikely to export. This is a significant increase compared to 2017 when 73% of larger businesses exported.

People and skills

With 73% of respondents expecting to increase their employee numbers and none expecting a decrease, the recruitment outlook for larger businesses has again improved. 23% of businesses are planning to take on more than 50 new staff and another 46% expect an increase of up to 20 people.

Large businesses are more likely than other businesses to employ modern apprentices with 90% of respondents reporting they are likely to take them on, compared to 78% in 2016 and 50% in 2015. 96% of respondents are likely to recruit graduates.

Sales outlook for 2018

87% of larger businesses expect their sales to increase over the next 12 months. This is up on last year (73%) and the expected increases are also higher with 34% forecasting more than 10% growth (9% last year)
Funding model
Larger businesses (57%) are typically quoted companies.

Cashflow compared to last year
Like smaller and medium-sized businesses, the cashflow situation for many larger businesses improved compared to last year (34% up from 27%). 11% of respondents experienced some difficulties.

2017 sales levels compared with 2016
Sales in larger businesses have continued to expand, with 78% reporting an increase from 2016, compared to 68% in the previous year. The detailed figures reveal that the increases were also bigger than last year with 33% of larger companies seeing increases above 10% (up from 12%).

Actuals compared to budget
In 2017, actuals compared to budget increased for 37% of larger companies, up from 32% in 2016. 44% of respondents reported actuals close to budget, a similar figure to 2016.
We are delighted to see the industry continuing to grow year on year. The 2018 survey results confirm the general sense of optimism and confidence amongst Scotland’s digital technologies businesses, reinforcing the anecdotal evidence from our members.

Economic Factors

Business leaders in our industry continue to have concerns about the economic and political environment. These are mainly linked to Brexit and its potential consequences, as well as the political situation in the United States, with some concerns over the possible imposition of new trade barriers. Despite this, the majority of companies report positive results with increased sales, profit margins and exports.

The public sector continues to be one of the most popular end markets for our survey respondents. To support our members in assessing opportunities and taking informed investment decisions in this important market, ScotlandIS recently produced its first market intelligence report on public sector ICT expenditure in Scotland. We are planning to undertake further research on other key end markets.

To ensure that ScotlandIS members and the wider digital technologies sector thrive throughout the Brexit process, we will continue to lobby Scottish and UK Government and raise awareness of our sector’s needs and contribution to the economy. Since the EU referendum, we have met with ministers and officials from both governments to discuss the potential impact and opportunities linked to Brexit in terms of immigration and access to skills, access to markets, regulations and EU funding. We have contributed to consultations by the Migration Advisory Committee and Scottish Parliament around the design of a potential new immigration system for EU nationals.

Talent

The demand for talent is rising with 80% of survey respondents expecting to take on new staff, for the first time in five years no company in our sample expects to reduce headcount this year. This is a clear indication that our industry continues to thrive and grow but the responses to other questions also show that finding this new talent is increasingly difficult. Staff recruitment and retention is the most common challenge respondents are facing in 2018.

Employers are increasingly diversifying their talent pipeline to respond to these recruitment challenges. The share of employers responding to our survey that are ‘definitely’ or ‘quite likely’ to take on apprentices increased from 29% in 2016 to 45% this year. This is encouraging and may be linked to the introduction of more apprenticeship frameworks relevant to our industry, such as information security and the new Graduate Level Apprenticeships.

We have also seen increased efforts to attract and recruit more women into the sector. For the first time, we asked employers what steps they are taking to tackle the gender gap and found that many already have action plans in place and are finding these initiatives successful. We are supporting a number of initiatives to address this gender gap, such as SmartSTEDS and the Digital Scotland Business Excellence Partnership Gender Workstream. We also encourage our members to become involved, for example by using the best practice guides developed by Equate Scotland for Skills Development Scotland.

Graduates continue to be one of the key sources of talent for digital technologies companies, with 73% of survey respondents planning to take on graduates in 2018. However, we know from our members that the skills graduates have do not always correspond to employer needs. In response to this, ScotlandIS established the Digital Skills Partnership (DSP) in 2017, with the support of the Scottish Funding Council and Skills Development Scotland. DSP brings together colleges, universities and industry to develop and deliver curricula and courses that equip students with the relevant skills to meet current and future demand in the digital technologies industry.

Talent pipeline is a crucial issue for our industry and ScotlandIS has been a driving force behind the creation of the Skills Investment Plan for ICT and Digital Technologies, which includes actions to help companies meet their immediate needs as well as addressing the talent pipeline for the sector. We continue to be actively involved in the plan’s implementation. From operating the e-Placement Scotland programme to the development of CodeClan, Scotland’s first code academy, and the Digital Xtra Fund, ScotlandIS works with a variety of partners to increase the supply of skilled people from schools to workplace learning.

EMPLOYERS ARE INCREASINGLY DIVERSIFYING THEIR TALENT PIPELINE TO RESPOND TO RECRUITMENT CHALLENGES
The Scottish Technology Industry Survey 2018 was conducted between 4 January and 9 February 2018 through an online survey platform. The survey received 205 responses in total, of which 171 have been selected for analysis after discounting duplicates and unusable responses. The respondents include both ScotlandIS members and non-members.

For the overviews on Scotland’s digital technologies sector (p.6) and on digital technologies employment (p.16) the following standard industrial classification (SIC) and standard occupational classification (SOC) codes have been used to define digital technologies businesses and jobs:

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<td>Manufacture of electronic components</td>
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<tr>
<td>6399</td>
<td>Other information service activities not elsewhere classified</td>
</tr>
<tr>
<td>9511</td>
<td>Repair of computers and peripheral equipment</td>
</tr>
<tr>
<td>9512</td>
<td>Repair of communication equipment</td>
</tr>
</tbody>
</table>

The following official statistics have been used for the overviews on Scotland’s digital technologies sector, and on digital technologies employment:

- For a review of Aggregates UK Business counts from the Department of Business, Energy and Industrial Strategy, compiled through the Business Service provided by the Office for National Statistics.
- Based on SIC 2007 divisions 26 and 58-63 as more detailed figures not available.

ScotlandIS represents Scotland’s digital technologies industries, including software, telecommunications, IT and digital agencies. ScotlandIS members vary from global companies and internationally-recognised exporters to very small start-ups and cover a wide range of skills and markets.

ScotlandIS promotes the industry and lobbies government and policy makers on issues of importance to the sector.

ScotlandIS stimulates networking and partnerships between member organisations, providing a variety of networking events, seminars and workshops.

ScotlandIS provides practical support to help members trade, for example, by providing access to industry experts and disseminating market intelligence.

ScotlandIS works in partnership with Industry, government and academia to create and retain the skills and infrastructure required to support the digital economy.

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