

House Committee on Small Business Field Hearing 'Silicon Prairie: Tech, Innovation and a High-Skilled Workforce in the Heartland' Testimony of Neelima Parasker, Founder & CEO, SnapIT Solutions, LLC October 8, 2019

Thank you, Representative Sharice Davids, for inviting me here today. My name is Neelima Parasker, I am the Founder and Chief Executive Officer of SnapIT Solutions, LLC. SnapIT Solutions is an innovative technology solutions and services company with capabilities in IT (Information Technology) Managed Services, Mobile and Web Application development, Data Analytics, Cloud, DevOps and provided IT Trainings. SnapIT Solutions is a certified Post-Secondary Education Training Institute by the Board of Regents in Kansas and Certified ETPS (Eligible Training Provider System) Institution in Missouri with pending application process for Colorado, Oklahoma and Nebraska states. SnapIT Solutions is a WBE, WOSB, MBE, and DBE certified company with a vision to grow human potential, empowering individuals and strengthening communities. SnapIT Solutions is nationally considered as a futuristic and innovative small business with a powerful mission.

I hold a Bachelor of Science in Mechanical Engineering with a Masters in Computer Science; I am a certified Project Management Professional from Project Management Institute with 19 years of Information Technology experience, holding leadership positions in Fortune 500 companies, including IBM and Sprint. In the private sector, I led teams executing enterprise transformations and promoting innovation through leading edge technology.

Finding and developing a talented workforce is a longstanding personal goal. I was recently appointed by the Governor of Kansas to be on the Kansas Department of Commerce, Workforce Task Force to help promote and support workforce development throughout the state.

The current state of the tech industry and the high-tech workforce shortage.

The tech industry is expected to outpace the overall economic growth in the coming years. According to the Bureau of Labor Statistics Monthly Labor Review, tech job opportunities are predicted to grow at a faster rate than all other jobs in the professional sector or up to 22% over the next decade. Demand for these workers stems from greater emphasis on cloud computing, the collection and storage of big data, and information security. Tech occupations are projected to add about 546,200 new jobs; the current workforce will need upskilling/re-training to meet the ever changing technology innovations.

Despite the increasing number of computing jobs, interest in these majors and careers has steadily declined over the past decade. Fewer students are enrolling in computer science and graduating with computer science degrees. If current trends continue, the industry will only be able to fill half of its available jobs with candidates holding computer science bachelor's degrees from U.S. universities, NCWIT, By the Numbers 2009. These projections are reality. With the current four year degree requirement in Computer Science related jobs, it has been challenging to keep the supply up with the demand for talent which has resulted in the shortage of tech workers.

CHALLENGE: IT industry growth outpacing the high-tech skilled workforce.

Small companies with their innovative new technologies disrupt the industry but fail to sustain their growth due to the high-tech skills shortage. Larger organizations attract considerable interest in the technology job market but struggle to reskill their existing workforce in the fast-changing technology industry. According to Forbes, the state of IT Service Management in 2017, which included responses from 261 senior level executives globally, 50% of the respondents cited tech skills shortage and training requirements as the key challenge to IT transformation. The report found that while technology is disrupting the business landscape, the ability to effectively leverage the available solutions and deliver the necessary functions to end-users, until SnapIT Solutions, remained elusive, due to the high-tech talent shortage.

SOLUTION: SnapIT Solutions is the innovative regenerative workforce model that solves the high-tech skilled workforce shortage.

The tremendous demand for a skilled high-tech workforce requires business, industry, public service and nonprofit sectors to explore innovative ways to train talent to compete globally. A different labor pool needs to be cultivated and nurtured, as is evident by many companies, like Google, Apple and Netflix, answering that call and removing the four year degree barrier is **SnapIT Solutions, LLC**. With SnapIT Solutions' unique and sophisticated business model, SnapIT Solutions has grown more than 500% in the past year, growing to 32 full time employees, and is recognized as one of the fastest growing employers in the Kansas City region.

SnapIT Solutions creates innovative technology products utilizing a dynamic and regenerative business model that provides our underserved/underutilized job seekers with a platform to demonstrate their skills and push their limits. SnapIT Solutions was founded in 2015 to address the gap in providing complete technology solutions to businesses that have limited resources and financial capabilities, but a great need to be competitive in the market with value based solutions that are quick to market products.

The organization and structures within SnapIT Solutions have intentionally been designed to cultivate human potential of staff, while responding to the needs and accelerated pace of technological change in the markets and greater society. Specifically, SnapIT Solutions operates three primary divisions:

<u>SnaplT Trains</u>: develops and provides custom designed courses to expand opportunities in tech to a talent pool from a diverse, and under-resourced populations.

Through the SnapIT Trains, graduates of the program have the opportunity to serve as interns and apprentices at SnapIT. Every new hire is paired with a senior technology expert in the area and mentored on the job for an expeditious and efficient learning curve. Employees are challenged to do the best they can to sharpen the skills and given the opportunity to be trained and grow on the job.

Through our training program, SnapIT witnesses stories like Lisa: a former member of a band, who went through SnapIT training, hosted by SnapIT team as an intern, hired as an Apprentice after successful completion of internship and within 1.5 years honed in as a Software Developer who can code in at least three different software languages that includes Ruby on Rails, JavaScript and Java for SnapIT. Or the testimony of Ramone: Student of SnapIT Trainings, then an intern and Apprentice that discovered his passion for teaching and mentoring. Now Ramone is a certified IT Trainer within SnapIT, providing tech training in JavaScript and Basics of Software Development. The diversity of backgrounds, life experiences and education is what makes the SnapIT Trains division a real world example of how being innovative with solutions to problems has the potential to affect an entire community.

SnapIT Solutions is proud to report that 98 individuals have been trained and certified as Junior Software Developers via our MO workforce partners Full Employment Council, with approximately 77 placements in businesses and industries in the Kansas City Metropolitan Area. The tremendous demand for a skilled workforce gives Kansas businesses, industry, public service and nonprofit sectors, the opportunity to showcase its bistate dedication to collectively deliver innovative ways to train IT talent to compete globally. We're seeing firsthand the value that nimble entrepreneurial development teams can do within large corporations, including a substantial reduction in development costs and more cutting edge innovation.

SnapIT Solves: assists in solving the business challenges of its small and medium business clients with custom-developed technology software products, these custom software products gives SnapIT Apprentices an opportunity to work on real world projects with lesser demands in delivery timelines and,

<u>SnaplT Pods</u>: provides software application development services that deploy our talented software developers in pods to enhance it client's existing systems with no requirement to manage or direct this diverse talent pool by the clients. This is a risk-free agreement for clients to get the work done with SnaplT Solutions via fixed price contracts. Trained resources as staff augment to meet the ever growing demand for IT talent. As the students make their journey through training into Solves and Pods, it is quite important to showcase the roles of mentors within SnaplT's senior development team that perform exceptional work spending time in creating the best course of action that helps the interns and apprentices within the company to be incubated into independent software developers, designers and testers within hi-tech industry. Many thanks to passionate mentors like Rama Midigudla, Sai Nageshwara Mutyala and Roger O'Dell for seeing the vision of this model and supporting the early adoption of this model via mentoring.

SnapIT Solutions has a fast phase, and agile startup culture with a supportive team environment. SnapIT Solutions works hand-in-hand with public and private sector partners to

strengthen its robust Community Ecosystem. SnapIT Solutions is experiencing significant growth in its operations and the company is scaling its model across the nation, delivering value in government, private and public sectors.

CHALLENGE: Developing a talented workforce in non-tech hub areas.

SOLUTION: Harness Local Talent.

SnapIT Solutions harnesses the vast reservoir of untapped potential and talent. We don't need to transplant our workforce from urban areas or different states, rather develop our local talent.

Kansas City is an entrepreneurial hub and consistently tops the ratings for entrepreneurial growth in these charts (and among many others): #1 City for Business Growth (Wendover-InsightPRM Business Growth Report), #2 Most Improved Metro Areas for Startup Growth (Kauffman Index of Startup Activity), #2 Best City for Women in Tech (SmartAsset), #6 Best City for Creatives (SmartAsset), Top 6 City that Offers Better Value for Growing Startups (Forbes), Top 25 Future Ready Economy (Dell).

Expediting experiential learning within the existing workforce and elevating the skills capability of employees presents lower risks and requires less cost and time investments than searching for and hiring the right candidate. Nothing beats the power of learning by doing. Exposing energetic young workforce to advanced technical and business challenges, and training them to solve real-world problems promises improved skill retention among the workforce. Snaplt Solutions conducts intensive educational workshops ranging from design thinking and technical problem simulations to soft-skills and management training to empower your workforce with the latest skills necessary. Both strategies will help broaden the technical expertise of our workforce and allow organizations to scale the adoption and implementation of promising new digital technologies.

Nurture agility among the workforce. Traditional businesses may need to reorganize their organizational structure, and especially IT, to introduce agility in the way individuals and teams help achieve business goals. Empower employees to self-manage and adopt standardized technologies to eliminate silos between disparate teams. This strategy streamlines collaboration and coordination among the diverse workforce, allowing IT professional to apply diverse skills toward standardized processes and technologies, as needed.

Develop a strong business sense. Especially when technology is at the core of the business offerings, IT should develop a strong understanding of how their roles and contributions impact the business and end-user experience of their business services. The BMC survey finds that the intended impact of digital transformation includes improving support for larger number of users, gaining capability to add new services and increasing support for larger number of end-users. This strategy requires IT to go beyond the ability to solve technical challenges and develop the necessary business skills. Understanding the ever-changing dynamics of the local and international business climate can further help IT to create solutions or business use cases that yield key competitive differentiation for the organization in the competitive market landscape.

With a strong business sense, IT can work together with executives to help the company continuously adapt and redirect itself to better achieve organizational goals. While IT is primarily responsible to address the technical problems facing the business organization, IT can frequently contribute to identify profitable new pathways for the technology-enabled business service. These contributions can reduce the expense on external contractors that may not entirely understand the inner workings of the organization, its services, culture and the resulting impact on its business and end-users.

Focus on problem solving and out-of-the box attitude. The talent gap is often not about the specific technology skills but the ability of the workforce to solve technical and business problems. For instance, technical engineering problems require creativity and strong ideation more than just implementing previously known knowledge concepts or information. High-order cognitive capability is valuable for both technical and non-technical roles. However, this requirement is not limited to adults under 40 freshly graduated from technical and engineering academic programs. Experienced employees or vulnerable learners who tend to participate less in educational workshops and professional training programs are just as capable of polishing their creativity, ideation and problem-solving skills. It is the responsibility of organizations to provide thorough and flexible access to advanced training programs to members across the workforce, realizing opportunities for lifelong learning and identifying progressive career pathways for everyone.

Hiring new team members with the technical background deemed necessary to fill certain open positions is only a part of the skills shortage fulfilment equation. CIOs must identify the business requirements associated with the talent gap from a broader perspective, analyzing the existing workforce and understand how the future technology landscape presents changing expectations on the IT skills and talent. Onboarding the right talent may not always be clear, inexpensive or risk-free, but a strategic approach to solving the IT skills shortage may lead to other effective solutions.

Delivering meaningful solutions for our nation's corporations and government entities comes in many forms, much beyond the form of financial investment in startups. SnapIT Solutions accelerates the effectiveness when we examine how corporations are mentoring, supporting, incubating ideas and potentially become first customers for small business startups. SnapIT Solutions systematically brings together corporations/investors and entrepreneurs.

While it's well-known that women make key contributions to the economy, gender disparities remain, particularly in the tech industry. Being outnumbered, underpaid, and overlooked in comparison to their male counterparts, women have notoriously faced bigger challenges than men, forcing many women to ultimately leave their tech positions. More than half of women in tech leave the industry by the mid-point of their career, which is more than double the rate of men, according to 2019 Center for Work-Life Policy study. While female tech workers earn more than their male counterparts in Kansas City, more needs to be done to ensure that women are receiving equal pay for equal work and benefiting from the strong female leaders and mentors in the community. SnapIT Solutions is leading the way to retain and equitably support the next generation of American entrepreneurs.

SnapIT Solutions is the infrastructure built to showcase our full entrepreneurial ecosystem and ensures access to a vibrant ecosystem that includes all players. Intentional corporate investment in small businesses has tremendous positive impact across the board.

The ratios of women versus men in technology courses is still vastly unbalanced, SnapIT Solutions solves the need for female mentors for girls needing support in these areas like computer science, robotics, and web development. SnapIT Solutions is in the trenches, giving our diverse community the fresh perspective and training tools to make their mark on the industry, and creating opportunities for mentorship and support to help share the next generation of women in technology and further empowering our diverse community with the tools they need to be successful and meet the demands of our corporate and governmental institutions.

In 2019, I myself, as SnaplT's female founder, was awarded 'Most Inspirational Women in Tech' by Insight Success, a global business magazine. My team and I were also featured in Oprah's O Magazine, Fortune and Entrepreneur Magazines as 'Leading Women in Business-Kansas City' for our work in economic development via tech jobs. I received the Women Business Enterprise, Rising Star Award, from the Women's Business Development Center, the Midwest national certifying entity for the Women's Business Enterprise National Council, in recognition as a visionary business owner who leads the change on creative, solution-oriented, and cutting-edge business processes.

What will SnapIT Solutions need to expand work on increasing talent in IT?

- SnapIT Solutions would like to help create at least 500 new talent resources by 2022.
- SnapIT Solutions is hopeful for support from the SBA to identify the jobs in Department of Defense space where SnapIT can place its recently graduated IT resources, that have at least 2 years of relevant experience in high-demand IT skills (e.g., USDA, DHS, HHS)
- SnapIT Solutions looks forward to developing software for Federal agencies, that gives SnapIT students the opportunity to get exposed to real-time projects.
- Increased support and engagement of all players in the ecosystem, specifically including: governmental agencies and corporations.
- Incentivize broader investment in early-stage firms. Streamline access, so more high-growth companies get the capital they need to grow.
- Women and women of color are starting businesses at a higher rate than the general market. Yet, we have greater challenges obtaining the funding we need to build and sustain our companies. Access to capital is particularly hard for women and minority-owned businesses, both debt and equity capital. In 2017, according to Pitchbook, only 2.2% of all venture capital funding went to female-founded teams. Black and Latino entrepreneurs received even less, just 1% of all startup financing, according to the Kauffman Foundation.

Conclusion

Entrepreneurs, and the jobs we create, are a vital and critical ingredient for a growing economy, creating shared economic prosperity, opportunity and empowerment. Research shows that since 1980, nearly all of the net new jobs created in the U.S. have been created by companies less than five years old. In fact, entrepreneurs and their businesses create an average of 3 million jobs each year. If we are to continue to benefit from the creativity, innovation, and tenacity of entrepreneurs, it is important that we collectively foster an environment where innovation can flourish, consumers are empowered, and more Americans can achieve meaningful employment through these new opportunities.

Today, we ask that you continue to support and invest in small businesses and help us create more jobs. We must invest in our communities by investing in local businesses. We cannot do it alone. Again, thank you for this opportunity, I am happy to answer any questions.

The strength of American Cities, and the nation as a whole, depends on generating inclusive growth for people of all races, ethnicities, and incomes.