Break down the barriers. Hire for skills not just degrees.

Actionable insights for CHROs and Business Leaders to expand the supply and diversity of candidates.
Australia continues to face a tech talent gap; in fact, for every tech job lost in the direct tech industry over the past three months, 20 new jobs have been created by the indirect industry.

Closing the talent gap requires more Australians to move into tech roles than ever before. However, there continues to be barriers preventing more people and specifically women, those with disabilities and First Nations Australians moving into tech.

We want to change that.

What if, by increasing the types of pathways by which talent is entering tech, we can expand the supply and diversity of our candidates while increasing innovation and revenue?

And what if we told you our global competitors are already doing it at scale to fuel their tech economies.

The recommendation

We recommend that organisations target ‘20% of early career hires’ coming from Alternative pathways. Depending on their maturity organisations can get started through 1 of 3 approaches:

- **Open the doors to more.** Implement inclusive skill-based hiring and create inclusive places to land
- **Invest in a Pathway.** Invest in an alternative Pathway Pilot for in-demand role(s)
- **Make skills based BaU.** Move to a skills-based organisational model making hiring for skills BaU

We believe organisations will accelerate their progress if they work together on key industry level initiatives outlined in the TCA’s report ‘Getting to 1.2mill’ such as: Nation wide advertising campaign and Digital Apprenticeship.
We have a real opportunity to make a difference. Gone are the days when candidates need a degree to be considered for a role. By removing barriers and ensuring job opportunities are open to those who have alternate pathway experience, or offering programs that include alternative pathways, we’re not only solving for a talent gap, but creating exciting and fulfilling opportunities for amazing individuals who would have remained hidden in the workforce.

Tenelle Colussi
Managing Director Accenture Australia

This report highlights the incredible opportunity that remains untapped in our diverse workforce, and how Australia and our economy can benefit from making the tech industry more accessible and inclusive. This isn’t just about corporate responsibility – it’s a strategy proven to yield significant economic and social returns.

Steven Worrall
Managing Director Microsoft Australia
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01

Our current state

There continues to be barriers preventing more people, specifically women, those with disabilities and First Nations Australians moving into tech
Grads only, please

Despite this shortage organisations continue to ‘filter out’ high potential candidates at both early and mid career talent points by mandating bachelor’s degrees.

9 in 10 job ads in Australia for STEM roles require a bachelor’s degree or higher¹

Source: Lightcast; Accenture analysis
Notes: ¹ Based on job advertisements specifying any education requirement. STEM roles are proxied by jobs advertised in the direct tech sector (Internet Publishing and Broadcasting; Telecommunications Services, Internet Service Providers and Web Search Portals, and Data Processing, Web Hosting and Electronic Information Storage Services)
A ‘Grads only’ approach narrows supply and reduces our ability to create a thriving diverse workforce.

Key groups are underrepresented in STEM degrees

%: representation by group; university vs. working age population; 2021

<table>
<thead>
<tr>
<th>Group</th>
<th>STEM university degrees</th>
<th>Working age population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>34%</td>
<td>51%</td>
</tr>
<tr>
<td>Living with disability</td>
<td>5%</td>
<td>18%</td>
</tr>
<tr>
<td>First Nations Australians</td>
<td>1%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Just 1 in 3 university students in STEM are women, 1 in 20 have a disability and only 1 in 100 identify as First Nations Australians.

Source: Department of Education; ABS, 2021 Census of Population and Housing; ABS, Labour Force; AIHW; Accenture analysis

Notes: 1. STEM degrees are defined as university programs classified under the following fields of study: Natural and Physical Sciences, Information Technology, and Engineering and Related Technologies; 2. Defined as all people aged 20-59 in Australia; 3. Representation in the population is based on ABS statistics. Representation of people with disability has been gross up to reflect the broader definition adopted by AIHW. This includes people with neurodiversity and sensory impairments that restrict their ability to perform everyday activities.

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Removing barriers could unlock a potential pool of 1.1 million workers.

Over one million workers from historically underrepresented groups are ready to start a new job or increase their hours.

That is 10x more people that we need to fill the current talent gap of identified by the TCA*

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A diverse untapped workforce could plug the tech worker shortage

<table>
<thead>
<tr>
<th>Projected number of workers, 2030</th>
<th>Women</th>
<th>Living with disability</th>
<th>First Nations Australians</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,200,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>760,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>420,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,180,000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The untapped workforce: Workers from underrepresented groups could help plug the projected 2030 tech talent shortage

Demand for tech workers: 1,200,000

Shortage: -186,000

Unemployed from under-represented groups: 1,180,000

Underemployed from under-represented groups: 420,000

Potential supply from the total untapped workforce: 760,000

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Notes: 1. Based on TCA projections (link). 2. Based on 2021 figures that have been grown in line with working age population forecasts to 2030. Due to data availability, underemployment figures are based on total underemployed Australians, multiplied by the share of unemployed Australians who identify as women, people with disability, and First Nations Australians respectively. Splits by diverse groups are indicative due to intersectionality. 3. Based on ABS Labour Force as at Feb 2021.

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02

The

Alternatives

We can expand the supply and diversity of our candidates through alternative pathways.
The skills required to drive business are continually changing and the shelf life of skills is shortening.

We must move towards a skills-based economy, where aptitude, skills and potential matter more than university degrees, pedigree, company history or references.

Alternative pathways provide the means to tap into a broader pool of talent that has built their skills through alternative methods.
Organisations and individuals can build skills through different alternative pathways.

- **Adjacent roles** - Experience and skills gained in roles adjacent to the target role which allows development of core or relevant skills
- **Recruit, Train, Deploy’ initiatives** - Provide upskilling training then placement of talent into an open role
- **Traineeships, Apprenticeships and Cadetships** - Structured training arrangements with an organisation and potentially a training provider that combine full or part-time work with formal learning
- **VET courses** - Vocational training that typically leads to a diploma-level qualification
- **Micro credentials** - A short certification course that focuses on a particular area of study, usually stackable to accumulate into a larger credential
- **Vendor courses** - A course on a specific tech stack; e.g., Microsoft, AWS, Google
- **Bootcamps** - Intensive, typically 3–12-week course designed to ‘upskill’ candidates into a role but no job guarantee
- **Micro credentials** - A short certification course that focuses on a particular area of study, usually stackable to accumulate into a larger credential
- **Earn while you learn** - Provide upskilling training then placement of talent into an open role

**Tech workforce**
Alternative pathways provide benefits especially relevant to underrepresented groups.

1. Speed to Competency
   Speed is more important than ever, given the pace of change and need to continuously upskill. New programs are delivering technical 'role ready' talent in 8 weeks.

2. Tailored Support
   Programs are often designed for the needs of different groups with wrap around support and mentorship to encourage access and retention through the program.

3. Practical Integrated Learning
   Skilling is accelerated with practical application and experiences, better preparing candidates for day 1 and increasing inclusivity through diversifying learning formats.

4. Flexible Experience
   Skill needed are specific to an individual, alternative pathways often provide flexible solutions that enable multiple entry points for workers based on their current level of knowledge to avoid timely and un-necessary re-learning.

5. Industry Connections
   Alternative pathways that have an industry connection create enable workers to create networks to secure jobs and transition from learning to employment quickly.

6. Earn Vs. Costs
   As the cost of living continues to rise and many people can't afford the time and cost of extended time out of work, programs that provide a salary appeal to a broader group - especially those from disadvantaged backgrounds or those midcareer who can’t sacrifice a salary.

Let’s catch up to other economies and focus on skills not pedigree by expanding talent supply.
A new target for Australia that enables us to catch up with other economies.

20% of early career hires from alternative pathways by 2030

Source: US Bureau of Labor Statistics; Statistics Canada; SwissInfo; Accenture analysis

1. Proxied by degree attainment amongst tech related occupations in the US and "Specialist managers in engineering, architecture, science, and IT" in Canada. See above sources

2. Nearly 2/3 of Swiss pupils opt for apprenticeships, with a range of professions to choose from, including high-tech industries
Increasing alternative pathways to 20% could unlock an additional 31,000 workers from diverse backgrounds by 2030.


Notes: 1. These charts show the representation of groups within the tech workforce, which refers to both workers employed in any role within the tech industry (direct tech sector), and tech workers employed in non-tech industries (indirect tech sector), aligning with the definition used by the TCA. This representation is based on ABS statistics for full-time employees. Representation of people with disability has been grossed up to reflect the broader definition adopted by AIHW. This includes people with neurodiversity and sensory impairments that restrict their ability to perform everyday activities; 2. Shows the representation of diverse groups amongst new tech hires if alternative pathways are expanded to represent 20% of tech workers hires. Based on Accenture modelling.
The case for change:

There are significant positive impacts on business performance.

An Australian employer with 100 employees and $30m in annual sales could capture the following through fairer representation of diverse groups and the creation of an inclusive workplace:

- $2.3mil additional revenue each year \(^2\)
- $800k per year in savings from improved retention rates \(^1\)
- 14% increase in worker productivity driven by a more collaborative work culture and sense of communal thriving

Source: ABS, Labour Force; ABS Australian Industry; AHRI; AIIA; McSorley, 2021; Resetting Tech Culture, Accenture, 2020; Enabling Change, Accenture, 2020; Harter, 2017, Employee Engagement vs. Employee Satisfaction and Organizational Culture; Equality = Innovation, Accenture, 2019; Accenture analysis. Notes: 1. Assumes the cost per departed employee is 85% of an employee’s salary on average. An inclusive and diverse workplace experiences roughly half the attrition rate of an average firm; 2. Based on an average sales growth rate of 4% p.a. Assumes that diverse and inclusive firms grow sales 2.9X faster on average.
This is not just a corporate responsibility play.

Achieving 20% could create benefits for business, government and society

- **Higher Wages** \(\uparrow\) $550m
  - Additional remuneration in new tech workers’ pockets, appreciating higher wages than other sectors

- **Employment Growth Opportunities** \(\uparrow\) 2k
  - Previously unemployed workers will be lifted to employment and into tech roles

- **Government Returns** \(\uparrow\) $250m
  - Additional tax revenue for government as Australians shift to more productive segments of the economy

- **Talent Attraction** \(\uparrow\) 5X
  - More applicants per advertised tech role, greatly expanding the talent pool

- **Societal Impact** \(\uparrow\) $35m
  - Positive effect in the community through higher employment levels and a reduced impact on social services

Source: ‘Getting to 1.2 Million’, TCA; ABS, 2021 Census of Population and Housing; ABS, Labour Force; NCVER; US Bureau of Labor Statistics; Stakeholder Interviews; ABS Australian Industry; Services Australia; Department of Education; Resetting Tech Culture, Accenture, 2020; Accenture analysis

Notes: Figures derived from Accenture modelling. See Appendix for an outline of the methodology
Organisations will need to overcome current challenges.

### Alt. Pathway lifecycle

<table>
<thead>
<tr>
<th>MINDSET &amp; KNOWLEDGE</th>
<th>THE APPLICATION PROCESS</th>
<th>CAPACITY TO SCALE</th>
<th>EMPLOYEE EXPERIENCE (EX)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in alternative pathways within leadership is limited by bias and a lack of knowledge.</td>
<td>Existing HR practices ‘filter out’ talent or are unable to assess based on skills rather than qualifications.</td>
<td>A lack of capacity to identify, run or support, especially at scale.</td>
<td>EX does not enable everyone to thrive in a psychologically-safe environment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HR EXPERIENCE &amp; SKILLS</th>
<th>ATTRACTIVENESS</th>
<th>MARKET CONFIDENCE</th>
<th>CAPABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of alternative pathways is inhibited by the limited experience of HR teams.</td>
<td>Organisations struggle to attract talent in tech industry and tech roles.</td>
<td>A fragmented market that lacks industry accreditation, scale or metrics increases risk and complexity.</td>
<td>Lack of capability and motivation of leaders to create inclusive teams.</td>
</tr>
</tbody>
</table>
Activation

The actions organisations need to take to achieve the 20%
4 actions to enable the use and scaling of alternative pathways

1. Vision
   Create a clear vision and mandate to use alternative pathways to achieve talent priorities

2. Hire
   Implement skills based and inclusive hiring practices that open the doors to more talent

3. Train
   Invest and become ‘talent creators’ of future skills

4. Retain
   Build experiences and leaders that retain and promote employees from all backgrounds
Where to start

How you move forward depends on where you are today, we recommend taking 1 of 3 steps forward.
Where organisations are today will inform how to move forward.

1. We need the basics

You still mainly hire for degrees, systems and processes filter out talent, removing the barriers to that prevent people applying and having an environment to thrive is a start.

Get Started

Open the doors to more; transition to skills based hiring and inclusive EX.

2. We want to Pilot

You have or started to move to skills based hiring and but now you want to proactively invest in alternative talent pools

Get Started

Invest in an Pilot; invest in new pathways for an ‘in demand’ role with career trajectory.

3. We are ready to scale

You have proven the case and now want to move to skills based hiring and development across your talent practices.

Make it BaU;
Transition to a skills based way of working across HR and the business.
1. We need the basics

The objective:

Open the door to more talent by hiring for skills not education and creating an inclusive EX from day 1.

Vision
Awaken hiring managers and HR to the benefits of skill-based practices and its potential to support their current and future talent priorities

Hire
Implement new hiring processes and technology that ‘filter in talent not out’ including updating job requirements to focus on skills

Train
- Not a focus -

Retain
Work with SMEs to identify and address potential pain points that would lead to attrition of underrepresented groups.
1. **We need the basics**

**The readiness checklist**

<table>
<thead>
<tr>
<th>Vision</th>
<th>Hire</th>
<th>Train</th>
<th>Retain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Awaken Leaders to the potential</strong></td>
<td><strong>Update hiring process</strong></td>
<td><strong>Train</strong></td>
<td><strong>Identify pain points and create an inclusive environment</strong></td>
</tr>
<tr>
<td>- Awaken leaders to the value of achieving talent priorities through alternative pathways using established models and cases to prove the case and bring it to life</td>
<td>- Understand the core skills needed for roles – What are 4 must haves</td>
<td>- Not a focus</td>
<td>- Work with SMEs to identify and address potential pain in existing processes including performance mgmt</td>
</tr>
<tr>
<td>- Set a vision for how alternative pathways can expand your talent pools, aligned to the talent priorities your company to ensure sustainable demand</td>
<td>- Update job descriptions to remove restrictive criteria and biased language. Include flexible working arrangements and benefits.</td>
<td></td>
<td>- Ensure clear sponsorship of employees in career progression, growth opportunities and compensation decisions. Celebrate successes throughout the organisation and publicly.</td>
</tr>
<tr>
<td>- Build a multi year business case that is based on the principle that ‘a non university hire’ could be your CEO</td>
<td>- Review hiring process and tech to ensure interviews and assessments are clear, structured and inclusive</td>
<td></td>
<td>- Introduce ‘Stay’ conversations at 3,6,12 months to enable proactive and effective career support and timely removal of barriers.</td>
</tr>
<tr>
<td></td>
<td>- Promote new skills-based approach and EVP roles through a variety of channels. Participate in diversity focused events/career fairs and reinforce diversity and inclusiveness in brand advertising. Consider candidates’ use of external platforms for an insider view of company and get input from employee-led networks.</td>
<td></td>
<td>- Highlight available employee-led networks to provide connection and belonging.</td>
</tr>
<tr>
<td></td>
<td>- Equip and enable HR, Hiring managers, mentors and buddies with the capability to support talent</td>
<td></td>
<td>- Incorporate inclusion and diversity awareness and active allyship training into core leadership, onboarding and mandatory behavior training.</td>
</tr>
</tbody>
</table>
2. We are ready to pilot

The objective:

Select and invest in an alternative pathway pilot program for in-demand role(s) with career trajectory.

Vision
Identify a pilot for roles with sustainable demand and career progression within teams who are advocates of alternative pathways.

Hire
Promote new pathways focusing on partnerships with community organisations.

Train
Select existing pathway provider and prepare the receiving team.

Retain
Establish an EX-project to identify through listening the required changes to EX for the pilot group.
2. We are Ready to Pilot

The readiness checklist

## Vision

### Identify a pilot
- Identify the demand you will fulfil through an alternative pathway focusing on entry level positions with sustainable demand and career progression.
- Create a clear vision and gain buy-in and sponsorship from relevant C-suite and hiring managers, and create a clear business case, criteria and KPIs to track and determine success.
- Build a multi-year business case that is based on the principle that ‘a non university hire’ could be your CEO.
- Set specific goals and metrics to track success and ensure you are gathering data to evaluate effectiveness.

## Hire

### Promote new pathways
- Engage partner organisations who support individuals into employment to reach a broader talent pool and advertise roles directly with community organisations.
- Develop media and communications plans to reach your target audience, using purposeful and targeted messages related to EVP, spotlights on lived experience of inclusion from hidden employees.
- Educate and enable recruiters and hiring managers on the benefits of inclusive hiring and support.

## Train

### Select a provider and prepare the receiving team
- Define criteria and involve those with similar experience and/or backgrounds in the selection process, leveraging industry peers and community experts for advice.
- Ensure pathway includes both technical and transferable skills, e.g., communication.
- Evaluate the training and support options based on leading practice, e.g., ‘in context’, ‘among community’, ‘through development’ and ‘with agency’. Consider role shadowing to build capability, confidence and connection early, and consider how a sense of belonging and community can be encouraged.
- Provide leaders and team members with support including; mentoring and training so they understand their role and potential changes required.

## Retain

### Establish an EX project
- Proactive understanding of requirements and moments that matter so these can be implemented by day 1, if required.
- Continuous tracking including employee listening and feedback from participants and stakeholders to iterate and improve the pilot program.
- Showcase success of employees with key metrics (e.g., faster promotion rate, lower attrition, higher engagement) and lived experiences.
- Establish and equip a formal support network made up of mentors, HR contacts, peer buddies and career coaches to enable growth and success.
- Create career pathways and cohort experience beyond the program.
3. Scale to BaU

The objective:

Scale use of alternative pathways across the org by moving to skills-based and inherently inclusive organisation

Vision
Define your vision for how alternative pathways can support the delivery of your strategic workforce plan and a skills-based culture can be implemented

Hire
Embed skills driven practices that link with other HR processes across the organisation – Building brand reputation as an inclusive skills based hiring

Train
Develop an enterprise-wide approach to developing talent through alternative pathways, including strategic partnerships with community, industry peers and pathway providers.

Retain
Create an inclusive EX that is inherent to how everyone works and is proactively tracked with psychological safety at the core of HR, team and manager training.
3. **Ready to Pilot**

**Vision**
- Establish targets and build sustainable SWP processes.
  - ✔ Invest in sustainable strategic workforce management planning (SWP) processes
  - ✔ Set sourcing targets for alternative pathway hiring and establish a multi-year roadmap and business case for implementing new sourcing ways of working
  - ✔ Build C-Suite commitment to alternative pathways as a business imperative and competitive advantage; incorporate into leader training.
  - ✔ Invest regularly in development for HR and leaders to understand leading practice and incorporate into HR KPIs, e.g., set a homogeneity rule/target that project teams can have a maximum of 70% of one gender.

**Hire**
- Build a brand for inclusive skills-based hiring.
  - ✔ Run diagnostic to identify pain points in hiring. Transform hiring processes to be skills-based with the potential to flex experience for different candidates.
  - ✔ Establish an enterprise approach to identifying and evaluating strategic partnerships with community based groups to create sustainable pipeline and trusted relationships.
  - ✔ Develop media and communications plans to reach your target audience, using purposeful and targeted spotlights and lived experience.

**Train**
- Enterprise-wide approach to developing talent through alternative pathways.
  - ✔ Invest in multimodal development opportunities for participants to help candidates acquire new tech and transferable skills needed to succeed in their roles.
  - ✔ Establish enterprise guidelines, criteria and governance for the use of alternative pathways, including ways to partner with externals to avoid duplication and ensure quality.
  - ✔ Consider partnering with industry peers for greater impact and reduced risk and costs.
  - ✔ Establish assets and ongoing support for HR, managers and teams to successfully integrate alternative pathways for employees and help them to thrive.

**Retain**
- An inclusive EX is inherent to how work gets done.
  - ✔ Develop a clear pathway and career progression for participants in the program to help them see a future and potential growth opportunities within your company.
  - ✔ Provide visibility on progression to an inclusive and equitable workplace and identify opportunities for improvement.
  - ✔ Track and create accountability for progression of alternative pathway employees.
  - ✔ Use data to identify bias hot spots and root causes across the talent lifecycle to further optimise your program.

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**The readiness checklist**

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Industry actions

Working together can accelerate and simplify achieving our 20% target.
Collaborating will enable us to get to 20% quicker.

By aligning our efforts across; Organisations, Education Providers, Government and Not for Profits we will be able to overcome current challenges with greater speed, at a lower costs while improving the experience for candidates.
By focusing on key actions from the TCA’s ‘Getting to 1.2mil’ report will accelerate our efforts to increase the diversity our pipeline:

- **Awareness Campaign**
  Showcase the careers of successful candidates from underrepresented backgrounds that have come through alternative pathways.

- **Digital Apprenticeship**
  Provide new pathways that make tech roles more accessible and attractive to under-represented groups.

- **Define skills standards and pathways**
  Reduce confusion around skills required and simplify access to information.
Let’s make the change.

1. Commit to 20%

2. Get started internally based on where you are today

3. Identify how you want to work an industry partner to accelerate your progress
Thank you to our contributors and authors.

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## Terminology and definitions

<table>
<thead>
<tr>
<th>Terminology</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech sector</td>
<td>Refers to the combined workforce employed either in a tech-related organisation (direct tech sector), or in a tech occupation employed in a non-tech organisation (indirect tech sector).</td>
</tr>
<tr>
<td>Tech workers</td>
<td>For the purposes of the analysis in this report, this refers to skilled workers who are employed in tech related occupations, such as software programmers, ICT specialists, and network professionals for example.</td>
</tr>
<tr>
<td>Alternative employment pathways</td>
<td>Refers to any career pathway, be it education-related or organisation-based, into a tech occupation that does not require a bachelor’s degree or higher qualification.</td>
</tr>
<tr>
<td>Women</td>
<td>Based on data using self-identification, for any individual identifying as a woman.</td>
</tr>
<tr>
<td>People living with disability</td>
<td>Based on data using self-identification, refers to any individual who suffers from an impairment that restricts their ability to perform daily activities. This can include neurodiversity.</td>
</tr>
<tr>
<td>First Nations Australians</td>
<td>Based on data using self-identification, refers to any individual who identifies as having a background of Aboriginal or Torres Strait Islander descent.</td>
</tr>
<tr>
<td>FTB JSC</td>
<td>The Jobs and Skills Council (JSC) for the Finance, Technology and Business (FTB) sectors that works with employers, training providers and governments to ensure the relevancy of skills training in Australia</td>
</tr>
</tbody>
</table>
Methodology: Modelling the impact of alternative pathways

The economic opportunity of alternative pathways

The current state of alternative pathways in Australia versus overseas

The uptick in technical professionals achieved by scaling alternative pathways

The uplift in representation of diverse groups from alternative pathways

Economic benefits of scaling alternative pathways

<table>
<thead>
<tr>
<th>Approach</th>
<th>Method</th>
<th>The current state of alternative pathways in Australia was estimated through an average of three proxies:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1. The share of professionals and managers across both the direct and indirect tech sector who do not have a bachelor’s degree or higher.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. The share of technical professionals sourced from VET pathways each year. This looks at relevant graduating students as a share of annual new hires.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. The percentage of new hires that enter through alternative pathways within organisations interviewed by Accenture.</td>
</tr>
</tbody>
</table>

The 20% target by 2030 was based on inputs from stakeholder interviews and existing levels achieved by Accenture in international markets.

A business as usual (BAU) case was constructed based off of the 468,000 new workers estimated to enter the tech sector by 2030 by the TCA. The flow of workers was distributed such that the number of new entrants increased by 7.8% p.a., in line with historical growth.

The balances were also restricted to restrict modelled new workers to focus only on technical professions (48% of the tech workforce as per TCA research).

Given the assumption that 10% of new technical professionals come through alternative pathways under BAU conditions, the uplift in workers was modelled by incrementally increasing alternative pathways as a share of new hires to hit 20% in 2030. Given the tech sector is projected to have a worker shortfall by this time, these new recruits were treated as entirely additive to the sector.

An additional modelled benefit of increasing alternative pathways was improved retention rates across the sector driven by improved diversity, inclusion and employee engagement. This was modelled such that annual attrition decreased incrementally from 17% (current tech levels based on data from ABS, LinkedIn, and AIIA), to hit 8% in 2030. This improvement is based on evidence from Accenture research (‘Getting to Equal 2020’, ‘Resetting Tech Culture’) and attrition differentials between men and women in tech in ABS data.

A more diverse representation of the emerging workforce was modelled. This included projections of new hires from each diverse group entering the tech sector. The number of new workers from each diverse group was then calculated as the cumulative total from 2022 to 2030. These figures were converted to represent a share of all modelled new workers entering the sector to estimate the representation statistics amongst the emerging tech workforce.

The economic benefits of scaling alternative pathways were calculated as follows:

- **Share of new tech workers previously unemployed**: Based on ABS data revealing that of Australians without a university degree, 6.1% are unemployed. This was applied to the cumulative new technical professionals project to enter the sector between 2022 and 2030.

- **Additional remuneration**: Calculated based on the average post tax wage of employees in the direct tech sector between 2018 and 2020. This wage was applied in its entirety to previously unemployed workers. 22% of this wage was applied to the remaining new workers, based on the wage differential between direct tech industry occupations and the average for all non-tech industries.

- **Additional tax revenue and savings on social services**: Calculated as the taxable component excluded from the above wage benefits, as well as unemployment benefits forgone by the previously unemployed workers.

- **Additional applicants per position**: Based on the ratio of university STEM graduates to the sum of VET STEM graduates and workers from adjacent sectors changing jobs.
About Accenture

Accenture is a leading global professional services company that helps the world’s leading businesses, governments and other organizations build their digital core, optimize their operations, accelerate revenue growth and enhance citizen services—creating tangible value at speed and scale. We are a talent and innovation led company with 738,000 people serving clients in more than 120 countries. Technology is at the core of change today, and we are one of the world’s leaders in helping drive that change, with strong ecosystem relationships. We combine our strength in technology with unmatched industry experience, functional expertise and global delivery capability. We are uniquely able to deliver tangible outcomes because of our broad range of services, solutions and assets across Strategy & Consulting, Technology, Operations, Industry X and Accenture Song. These capabilities, together with our culture of shared success and commitment to creating 360° value, enable us to help our clients succeed and build trusted, lasting relationships. We measure our success by the 360° value we create for our clients, each other, our shareholders, partners and communities. Visit us at www.accenture.com.

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