

THE CØDEST
IN CODE WE TRUST

**WHAT ARE THE TOP CTØS AND CIØS
CHALLENGES? [2022 UPDATED]**

1. Introduction
2. What are the top CTOs and CIOs challenges?
3. How are you going to deal with the possible lack of IT talents?
4. How do you evaluate the company's financial situation during the CØVID-19 crisis?
5. Does remote work work well at your company?
6. How to deal with the most demanding problems?
7. The Codest's comment
8. About The Codest

The new year always brings new goals and challenges that need to be met by engineering teams led by CIOs and CTOs. On top of that, 2020 year was an extremely difficult time for many businesses and industries due to COVID-19 that has irreversibly changed the “game” rules. It has influenced many businesses and individuals in our tech world, but being an optimist by heart who always looks at the bright side of life, I truly hope that the worst is already behind us.

At the end of 2020, we at The Codest team had multiple conversations and discussions with CIOs and CTOs as a preparation to launch my “[Bulletproof CTO](#)” webinar series.

With the 1st episode in December, we have engaged with **over 300 CTOs from European tech startups and scaleups**. Being close to everyday problems of engineering teams, we have decided to prepare a short report on the most important challenges for CIOs and CTOs in 2022.

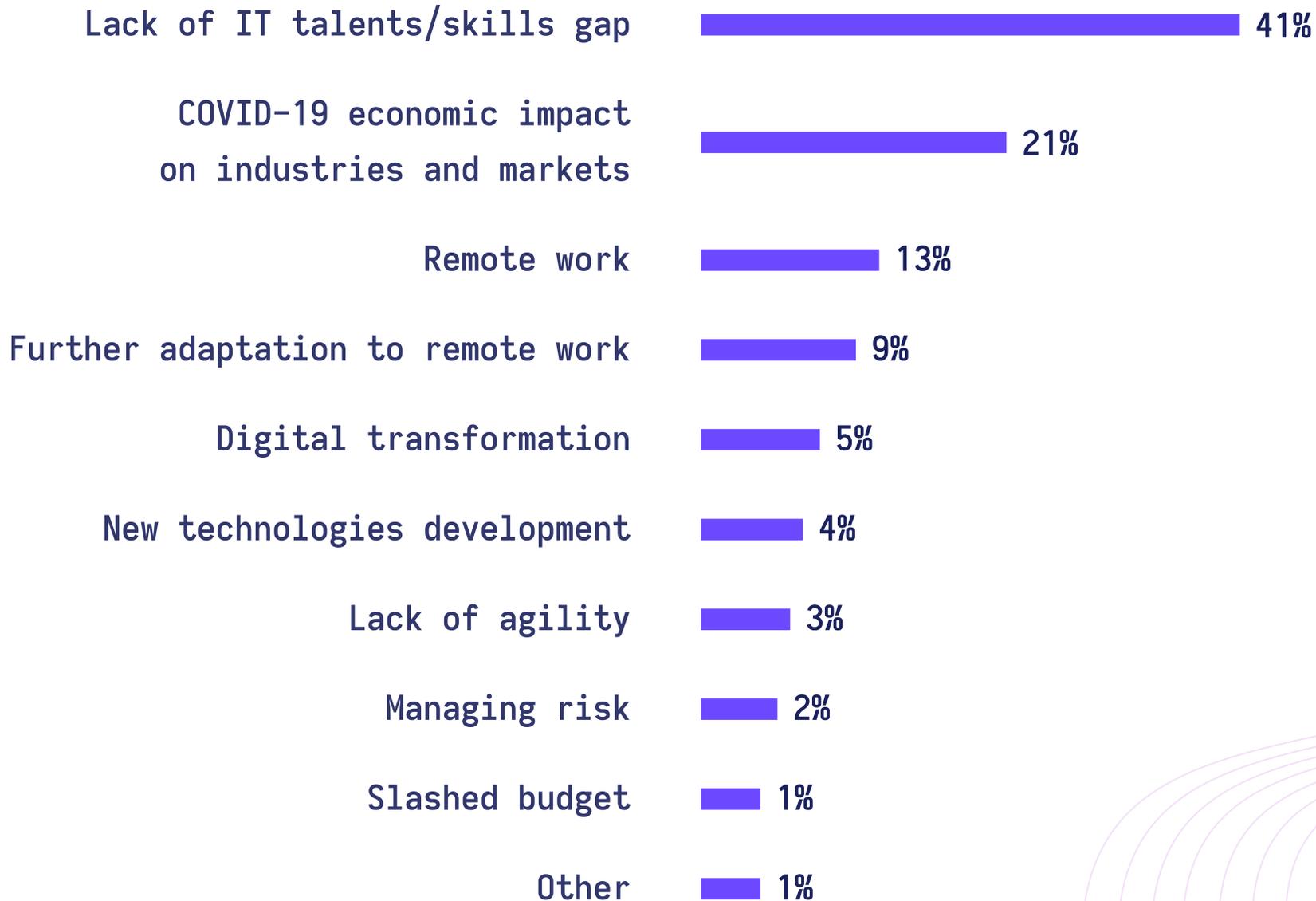
The report is based on surveys, webinar feedback, our internal research and input from our clients. **We have asked CIOs and CTOs (over 100 respondents from Europe)** what challenges they feel 2021 is going to bring us. Additionally, we have spoken to our clients (fintech, SaaS, e-commerce, marketplaces, adtech) and friendly tech leaders who have added their valuable voice into our survey. Big kudos for everyone involved!

I am pleased to share the results of these conversations with you. I hope that you will find this **digital exchange** of views on the market situation and suggested good practices useful and they could inspire you **to deploy your engineering plan to prod successfully.**

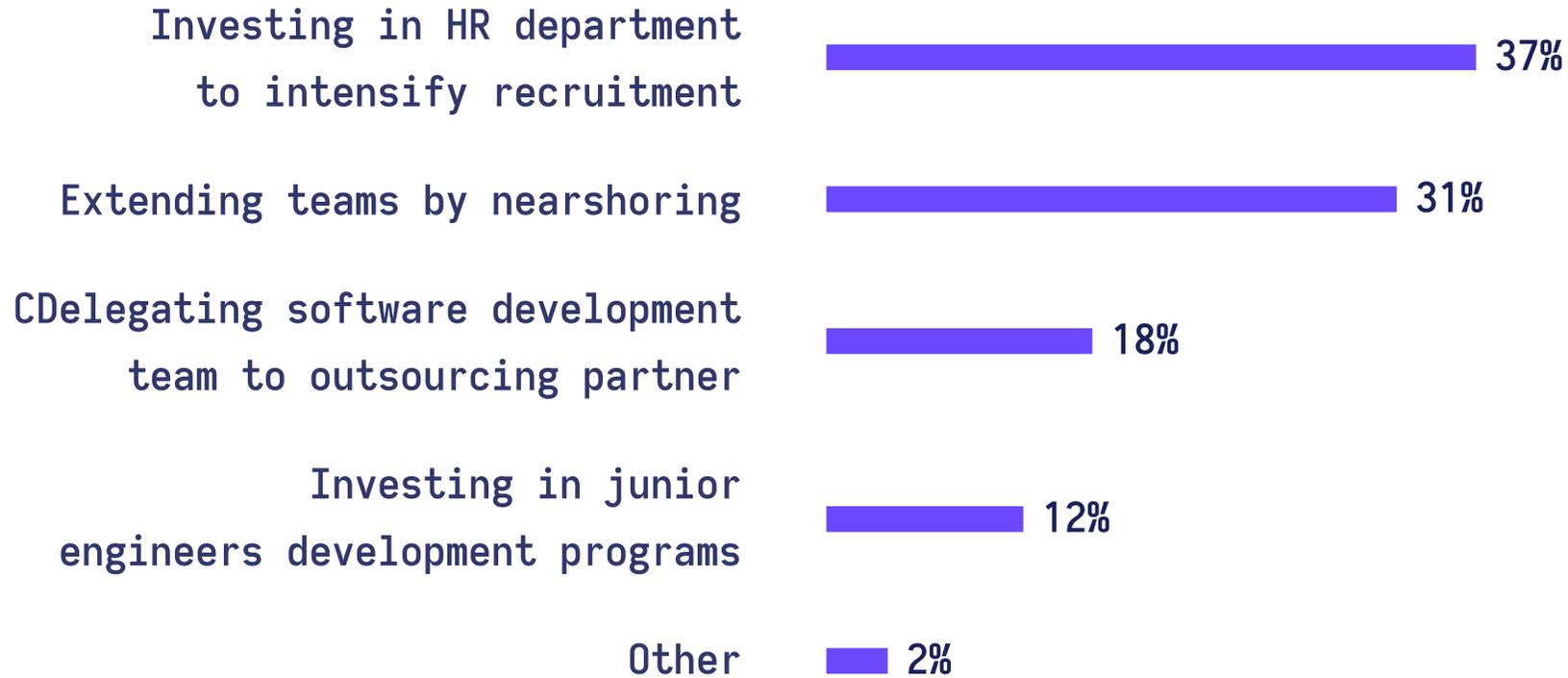
And that's exactly what I wish all of you!

Kamil Ferens

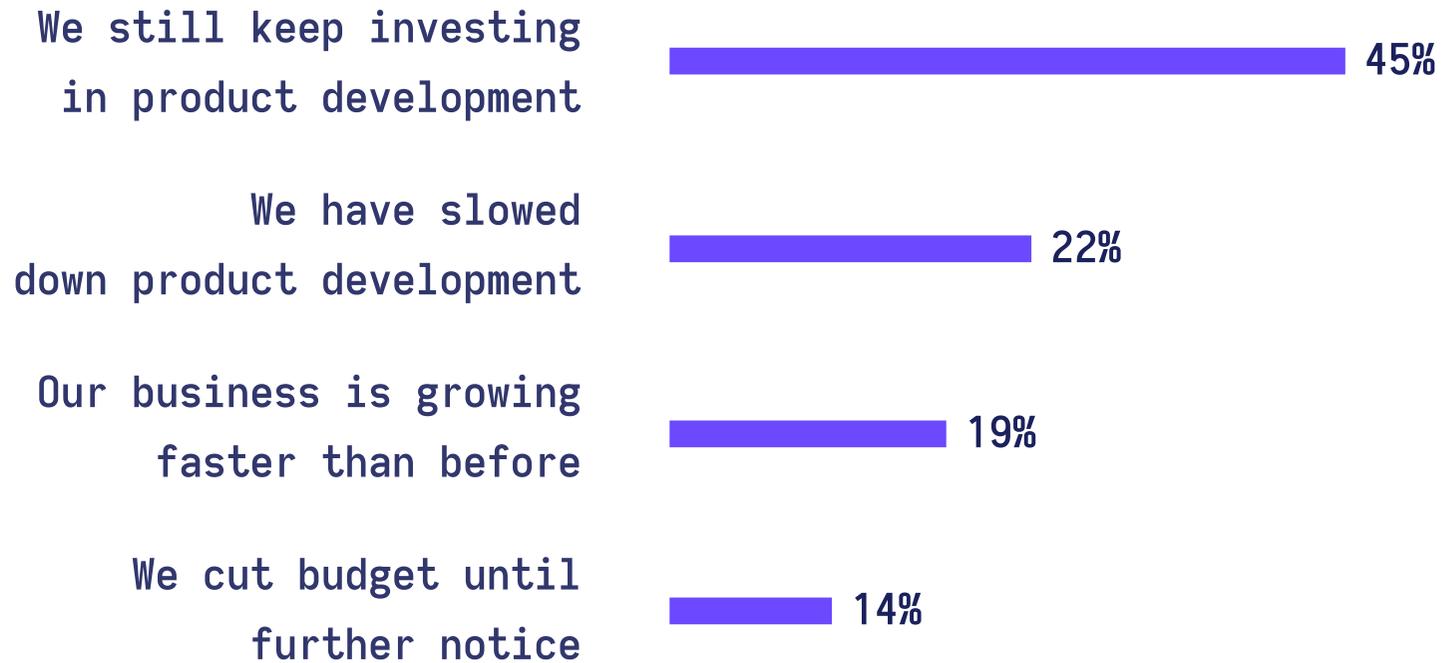




**HØW ARE YØU GØING TØ DEAL WITH
THE PØSSIBLE LACK ØF IT TALENTS?**



HOW DO YOU EVALUATE THE COMPANY'S FINANCIAL SITUATION DURING THE COVID-19 CRISIS?





Lack of IT talents/skills gap:

*We run the majority of our business in Sweden. **The domestic market has a problem with the availability of developers.** Common problem in many countries with a vivid tech scene, I would say. Even if we find a qualified engineer, we have to pay very high rates to hire and keep our employees to avoid too high churn rate. That is why we have been testing **cooperation with an external software development company for some time.** External developers work closely with our internal team. This cooperation has been going well so far and it helps us to deliver our goals that increased significantly as a side effect of COVID on online shopping.*

CTO at E-commerce company from Sweden

We focus on an internal team. It is true that the market is highly competitive when it comes to tech hiring, but so far we somehow manage to keep a good and harmonious team. I prefer to have all developers with me on-site, even at the cost of higher expenses. However, I do not rule out that in the future I will think about extending our teams with fully remote members. These are just plans for now, because I'm focusing on the development of the local team so...wish me luck :)

Head of Product Development at SaaS company from Germany

COVID-19 economic impact on industries and markets

*The beginnings were difficult because we didn't know how rapid and strong the impact COVID-19 would have on our market. We waited out the most difficult period and after about five months we started working normally again when advertisers bounced back with budgets. **Fortunately, there were no layoffs.** We are always mindful of what will happen in 2021.*

CIO at Adtech company from Denmark

We had to cut the product development budget in Q2 and Q3 2020. Now we're back to our normal velocity. We gradually unfreezed the budget and invested back into our engineering team. However, we do not have hard coded targets as our business has slightly suffered from the crisis and we still step forward cautiously. On a positive note, we believe that in the long-run we will benefit as enablers of online transactions that grew their importance heavily during 2020 and gained many new “conservative” users.

CIO at Fintech from Lithuania

Remote work

*To tell the truth, I have never been a fan of remote work. Our company used a hybrid model. **For some time we switched to 100% remote work**, but we have returned to the hybrid version quite quickly as our team missed the office interaction. I don't mind working remotely, but in my opinion it's better when the whole team works together at least once in a while to keep the team spirit and cultivate company culture.*

CIO at Fintech from Lithuania

*Remote work is the smallest problem from my perspective. This system has worked well for us and even when the world returns to normal, I want this model to stay for good in our company. It brings benefits to our organization's culture, lets us reach out to a wider talent pool from beyond our HQs location and **IMHO remote work is the future and many companies will switch to this model permanently pretty soon.***

CIO at Fintech company from Denmark

The results of our survey mirror the trends on the software development market that we can observe in recent months at the European tech scene. We have known much earlier about the lack of IT talents which is no surprise as the battle for qualified specialists and experienced employees is fierce year in, year out. **The reason why companies are competing for the best talents is a classic supply and demand problem = the exponential growth of the tech scene and IT industry does not add up to a number of talented graduates the universities and schools “deploy” annually.**

The way how CTOs manage their technical teams most often depends on the company's organizational structure and the availability of specialists in local markets. In Western Europe or Scandinavia, the cost of acquiring a developer is much higher than, for example, in CEE. Very often the available talent pool is also way smaller than in other parts of Europe.

What is more, **the CIOs and CTOs have indicated remote work as the third biggest challenge.** It's a massive speed bump especially for companies that previously worked solely on-site. However, remote work can bring multiple benefits on the condition of proper organization. In this aspect, it is worth using the knowledge of companies that have been using this model of work for years and it has worked well in their organizations before it was cool.

When talking about the benefits of remote work, it is worth paying attention to possible savings. Currently, **more and more companies try this model to reduce operational costs.** Undoubtedly, this is directly related to the impact of COVID-19 on markets and businesses. This factor was identified as the second biggest challenge in our study.

Certainly, the good news is that despite the crisis, **many companies came out uninjured and were not forced to cut costs and limit the development of their products.** It may reflect that many of them are managed with great maturity by experienced managers who anticipate the market situation also in unprecedented times.

Appropriate organization of processes and wise decisions of the management staff helped to protect many companies from the problems amassing behind the horizon. To put it very briefly - **each of the challenges identified in our study can be turned into success.** Of course, it highly depends on how swift and agile the organization is in creating and applying the best practices and processes.

Finally, we would like to thank everyone involved in this report. Thank you to all CIOs and CTOs for sharing their opinions and experiences with us. Our team keeps fingers crossed for your success in 2022. Stay bulletproof!

We deliver top-notch software development engineers

Struggling with software development? Say hello to The Codest - a team of well-qualified software engineers ready to extend your internal development team.

Our expertise

+10

experience in building
reliable software

+40

awesome devs at hand

+50

satisfied clients

How can we help you?

Empower your internal team by proven in battle software engineers..
Our developers can join your crew and help you with demanding challenges.

Thank you

In case of any questions reach out to us

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