SOFTWARE DEVELOPER
CAREER PATHS
and How to Choose the Right One for You

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As a developer, your inbox is probably brimming with recruiters' selling you on new "awesome" opportunities. It can be exhausting. As abundant as the job market is for developers, there isn't a lot of information available to help developers make informed decisions when it comes to receiving multiple job offers ranging from full time employee to staffing to consulting. There are pros and cons to each of these types of employment. We've outlined them for you in this eBook to help you make the right decision for you and your family.

Software Developer is one of the hottest jobs in America right now as well as one of the highest-paying jobs in the technology sector. It is not a trend. In fact, the Software Developer job market has grown 198% since 2014. Many companies struggle to find the right talent to help them adopt new technology stacks or maintain the ones they have, and the deficit is only going to become larger and more painful for companies. The U.S Bureau of Labor and Statistics projects there will be a shortage of 1 million technical candidates for computing jobs in 2020 (400,000 computer science college graduates per 1.4 million jobs.) The study did not account for qualified workers who are non-traditional, self-taught or have a degree other than computer science. All things aside, it is safe to say there will still be a massive shortage after all of the college grads and non-traditional talent has been tapped.

4 TYPES OF DEVELOPER CAREER PATHS

First of all, Congratulations! You've received one (or multiple) job offers as a Software Developer. It is not an easy feat. Despite the plethora of job openings, companies can still be picky on who they hire -- they have to be or else they'll fall behind in no time. Take Blockbuster, for example, to see how quickly a new and disruptive technology can turn a business upside down. Since companies must be selective, many of them have rigorous hiring and interviewing processes with several stages including a code challenge, pair programming session, and a face to face interview. So, you made it! Now what?

Before we move on, let's take a look at the different types of employment for software developers. Your offer(s) probably falls into one of these four types.

- Product Company Employee
- Staffing Company/Contract to Hire
- Independent Contracting
- Consulting

PRODUCT COMPANY EMPLOYEE

Becoming an employee of a product company is the most straightforward choice. You'll get a salary and the company will handle taxes and benefits for you. You'll be expected to work 40 hours per week with anywhere from zero to frequent overtime. Some companies may offer you flexible work schedules and work from home days, and others will not. Most companies have a 401k match ranging from 2% - 5%. Other common benefits may include education and training reimbursement, free coffee, or a gym membership. The type of benefits offered depend on the company size and culture. A large publicly traded company can offer stock options, whereas a startup may offer you equity and little or no insurance coverage. Let's talk about equity for a moment. Equity means you have a monetary stake in the success (or failure) of the business, and it comes in all shapes and sizes. Having equity in a startup can be very lucrative if the startup grows to become a multi-million (or billion) dollar company, or gets sold in an acquisition. Or the startup could fail like most do and your 10% equity is 0. Do your research and ask questions about the product viability, market, competition, sources of funding, and track records of founders.

Let's say you've done your research, you've accepted the risk, and you now work at a startup. Startup founders tend to be more technical than middle managers in larger corporations. You will most likely be working on a product that has to do with an up and coming technology, like AI, VR or IoT. There's no doubt that these technologies have promising futures and are here to stay. Gartner predicts that 20.4 billion "things" will be connected to the internet by 2020. It's whether or not your startup has found a niche in one of these markets where they are a dominant player that will determine your future as an employee. Your startup will have a stretched budget and sometimes unrealistic goals and deadlines set by VCs who want a return on their investment. You will have your work cut out for you for potentially a very large or no pay out. For some people who haven't started a family yet or have few financial obligations, the risk may be worth taking.

If the startup life isn't for you, there are many people who are happily employed by larger corporations and small to midsize businesses (SMBs.) You may work for a consumer brand that is reputable and recognizable, which can boost your resume. There is more information online for companies that have

been around longer and have a higher number of employees, so when you research these companies you can find answers to just about anything down to salaries and interview questions. SMBs and large companies will have more processes in place, a bigger budget, and foreseeable career paths for employees. The work environment will likely range from business casual to business professional and will typically be less laid back than startups. These companies have stability, but earnings growth is limited. The national average for employee annual raises is 3% and according to Forbes employees who stay at a company longer than 2 years get paid 50% less, and that is a conservative number. Robert Half surveyed U.S. workers and found that many workers would rather clean the house (32 percent), look for a new job (13 percent), get a root canal (7 percent) or be audited by the Internal Revenue Service (IRS) (6 percent) than ask their employer for a raise.

New product development is fun and interesting in the beginning, but then what?

Someone has to maintain and support the code in production. Who is better suited to support code than the person who wrote it? Developers at product companies don't merely jump companies after 2 years to get higher salaries, they may decide to leave because the technology they are working on now isn't as interesting as when they started. On the other hand, some developers like being the main "go-to" person for the code that they wrote. If you would enjoy maintaining and supporting legacy code in a comfortable environment with growth in small increments, a corporate job may be the right choice for you. If you don't want to change jobs every 2 years to add new skills and grow your salary, you may want to consider other alternatives.

INDEPENDENT CONTRACTING

As an independent contractor, you will have unlimited flexibility on the types of projects you work on. While you generally get to avoid office politics, make your own schedule, and work from anywhere, you will be required to wear many hats. You get to be your own boss -- and your own accountant, and your own salesperson, and your own scrum master and so on. There are plenty of benefits to being your own boss, but what if you've just started building your professional network? How will you sell yourself to clients?

When is the last time you updated your LinkedIn profile? When have you ever paid for your own insurance, benefits, and training? These are all serious considerations to make before deciding to go independent.

Your income will be largely determined by how good you are at sales and networking, and not how good you are technically. Let's say you've landed your first couple of .NET projects. Good job! You earn a reputation as the "go-to-person" for .NET. Sure, there is plenty of .NET work to go around so you won't have to "sell" as much and you'll start getting projects through word-of-mouth. You could potentially make a decent income off of how good you are technically but to get to that point you will have to be good at sales. That includes being well-versed in legal terminology and contracts.

What if you get bored of a technology or it becomes outdated and you want to sharpen your skills by learning something new? You may become pigeonholed into the technology you used to initially build your reputation and business. How will you continue to make income while you're learning a new technology and trying to rebrand yourself? The time you spend training, selling and managing the day-to-day business is time you don't spend billing. You could outsource some of your work to free up your own time but you will have to split that income with someone else.

One of the major plus sides of being an independent contractor is there is uncapped earning potential. Some of the wealthiest developers are independent contractors. They can charge as much as they want (depending on their sales and negotiation abilities) they can have a lot of prestige from getting invited to speak at conferences all over the world or having a ton of blog followers, but they had to hustle for it. You will spend 50% of your time coding and 50% of your time, if not more, managing your business.

STAFFING/CONTRACT TO HIRE

Staffing is like being an independent contractor, but you have someone else handling sales for you. You could get 3, 6 or 12 month contracts and the type of work will be limited to what your recruiter can find for you at the time. The tech stack might be Java 8 or Java 5, React or jQuery, COBOL or Kotlin. Companies rely on staffing firms when they have a high volume of open positions that they simply cannot fill with their own recruiting staff. These positions are often production support and code maintenance roles

or a race to some looming deadline, the hourly rates are inconsistent and vary by job. Staffing roles come with modest or no benefits packages.

Contract to hire is very straightforward. You sign a contract (usually 6 months) and the company has the right to hire or fire you at the end of your contract. Some companies only contract to hire, so this how you would get your foot in the door. It is like a 6 month long job interview. If the 6 month interview doesn't go as well as you or the client might hope, or if factors beyond your control like budget and timing come into play, you may find yourself looking for a new job at the end of the contract to hire period. If the 6 month interview goes well, you would typically convert into a product company employee, so refer to that section for more to consider.

CONSULTING

Consulting is a blend of working as a full-time employee and being independent. As a consultant, you are the subject matter expert. Companies don't hire consultants for small scale projects that may never even make it into production. They hire consultants when they need outside technical expertise on a strategic initiative that has many stakeholders involved, like new development or greenfield projects. They rely on your thought leadership when making important decisions. Being a consultant with this level of responsibility, you have to communicate well when it comes to advising a client on technical direction or writing a blog post. You must be equally as good at communicating as you are technically.

Consulting companies typically have a front office staff that handles sales and other business functions. When evaluating consulting companies you want to work for, be sure the leadership team and sales people are tech savvy and know when to turn away business.

Since you're not selling the clients yourself as an independent contractor would, you need to make sure you can trust that the projects you're going to be working on are interesting and align with your own goals.

You will get to have some say on the types of projects you get to work on if you are open with your account manager about what technologies you are passionate about or want to learn. Besides the types of projects you work

on, you also have flexibility in your career path as a consultant. You can choose to stay on a more technical path and go the architect route, or you may decide you want more management experience and go the principal consultant route. Product Companies often steer their best developers into management roles without letting them choose otherwise.

Ask about bench time. A "bench" consultant is someone who is in between or hasn't started a project yet. A consulting company may hire you to the bench, where you will get onboarding and training before your first project with a client. Other companies may reduce your pay while you're on the bench or let you go when your project ends if sales doesn't have another one lined up for you. It is normal for there to be gaps in between projects but make sure your company offers you your full salary when benched. Do not only ask about a paid bench, also ask what you will be doing if you are on the bench. Ask if there are training opportunities, certifications, or internal company initiatives you can work on during your downtime to sharpen your skills.

One final thing to consider about consulting is overtime. Some companies may pay you hourly to begin with, while others may offer you a salary and a full benefits package. If you are offered a salary, ask if there will be paid overtime in case you go over 40 hours a week.

4 TYPES OF DEVELOPER CAREER PATHS

Now that you have a base understanding of the types of careers paths for developers, how do you make a decision? No one can decide for you. If you take anything away from this eBook, here is a shortlist of the top three things you should be considering before accepting a job offer:

- **Is it a culture fit?** Does the company leadership try to maintain a culture for developers and do they have their developers' best interests in mind?
- **How focused is the company?** Is the company focused on what is right for you or what is right for them?
- **What is the path to growth?** Will you be trained adequately and often on new technologies? Will your raises align with your own financial goals and reflect your performance?

A B O U T

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Callibrity is a developer owned and managed custom software development firm that is dedicated to providing clients with quality software, improved coding practices, and modernized tech stacks. Having such a niche focus is not for everyone, but Callibrity believes that focus on software development fosters interesting work that keeps consultants engaged long-term and grows their technical knowledge exponentially.

OUR MISSION

is to provide exceptional information technology consulting services that return extraordinary results for our clients.

OUR VISION

is to be an organization that values relationships, our community, and our people - continually striving for a culture that produces exceptional work. We problem solve, architect, and craft solutions for our clients' toughest software challenges.

What's in a name? The name Callibrity comes from two different roots, calli, and caliber. Calli means 'beautiful' in Greek, as in Calligraphy - beautiful writing. Caliber means 'a degree of merit or excellence.' We strive to do beautiful work with a high degree of merit and excellence.

We are Artists. We are Engineers. We are Innovators. We are Callibrity.

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