Stop the Talent Drain:
The Ultimate Guide To Fixing Your SaaS Company's Software Developer Retention Problem

Tech startups and SMEs are struggling with a huge challenge: a startlingly high turnover rate among engineers.

So why are companies facing difficulties keeping tech talents and what can they do to prevent losing more of their best talent?

Some interesting numbers that you need to know:

22%
Average attrition rate

in IT roles in Australia
(vs. <10% at Arcanys)
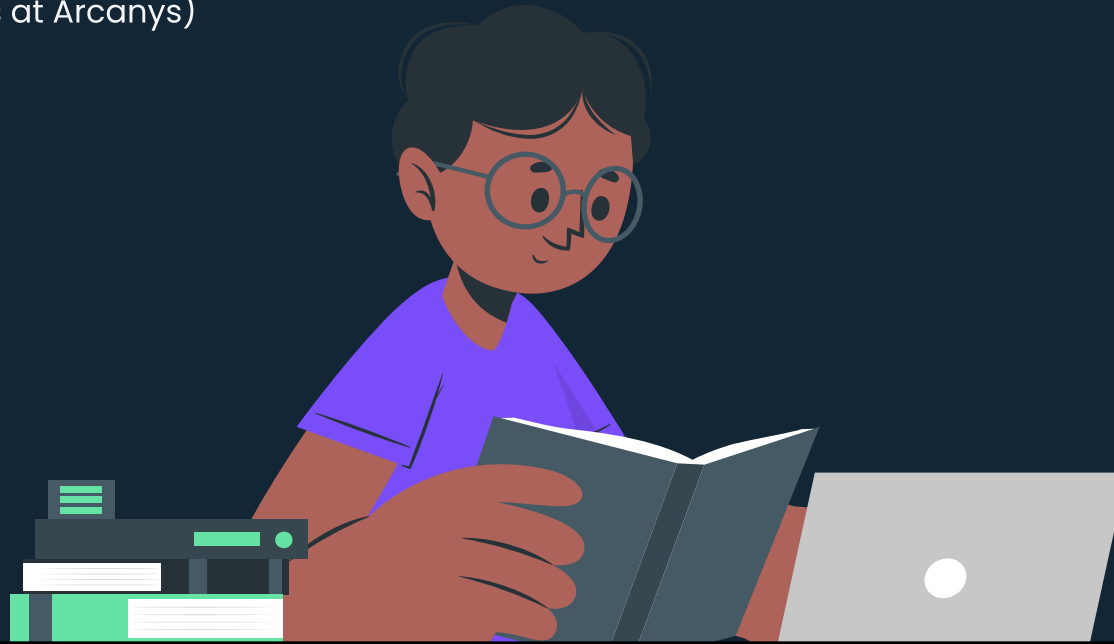
6–12 months
Average time to replace a developer

in Australia, depending on the role (vs. 3-6 weeks at Arcanys)

6–9 months' salary
Average replacement costs for one developer

Why top software developers are leaving SaaS companies

According to the Australian Information Industry Association, attrition rates for IT roles in 2021 are estimated to be between 15% to 22%. **But why?**

The job market is super competitive. Developers have countless options to jump ship when they feel that a better offer is around the corner.

Burnout is a common experience. The industry can be fast-paced and the stress can leave some developers to search for better organizations with better work-life harmony.

Remote work is prevalent. It's now easier than ever to switch jobs without relocating and a <u>2023 report</u> states that 40% of developers prefer the full remote setup.

Poor company culture. Developers may feel unmotivated when there are limited opportunities to connect with teammates and clients.

The industry evolves constantly. Developers may feel the need to switch jobs to learn new skills and keep up with the latest technology.

Why high retention rates need to be addressed ASAP

There are some pretty big consequences of high turnover rates:

Lowers morale and engagement.
As more developers leave, the ones remaining may have lost a valuable work friend, which matters more than you might think.

Drags productivity.
When a developer leaves, it causes a knowledge gap that can cause project issues and delays.

Bleeds time and money.
Recruiting, onboarding, and training new developers take resources that would have been better used in enhancing the skills of current developers.

Affects support departments.
Non-tech team members will be left scrambling to replace talent and get the rest of the team back on track.

How to fix the leak in your development team

Stopping the talent drain and keeping your best and brightest requires some sustained effort to:

Offer competitive salaries and benefits.
Developers need to feel that their skills and expertise are valued and that they are being paid what they deserve. Perks like the bonuses and the option to work remotely don't hurt, too.

Provide opportunities to work on exciting projects.
Developers need to feel that their work has meaning and impact so projects that provide a sense of purpose and exposure to the latest technologies make them more engaged and fulfilled.
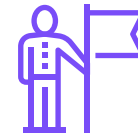
Foster a positive work environment.
Prioritizing developers' growth and well-being through workout routine incentives and work-from-home allowances increase job satisfaction and strengthens team relationships.

### Maintain a culture of transparency and open communication.
Encourage direct and regular feedback for developers to feel visible and comfortable sharing their thoughts and ideas, and for teams to become more invested in the company's success.

Keeping and attracting top developers without the budget of a unicorn

You don't need to go toe-to-toe with top tech companies to work with great dev talent. By hiring from the Philippines through a team augmentation partner like Arcanys, which prioritizes company culture and a thorough recruitment process, you get to secure reliable AAA developers, provide premier benefits and perks that you just couldn't match by hiring from higher-wage countries, and maintain a less than 10% attrition rate.

Learn more →
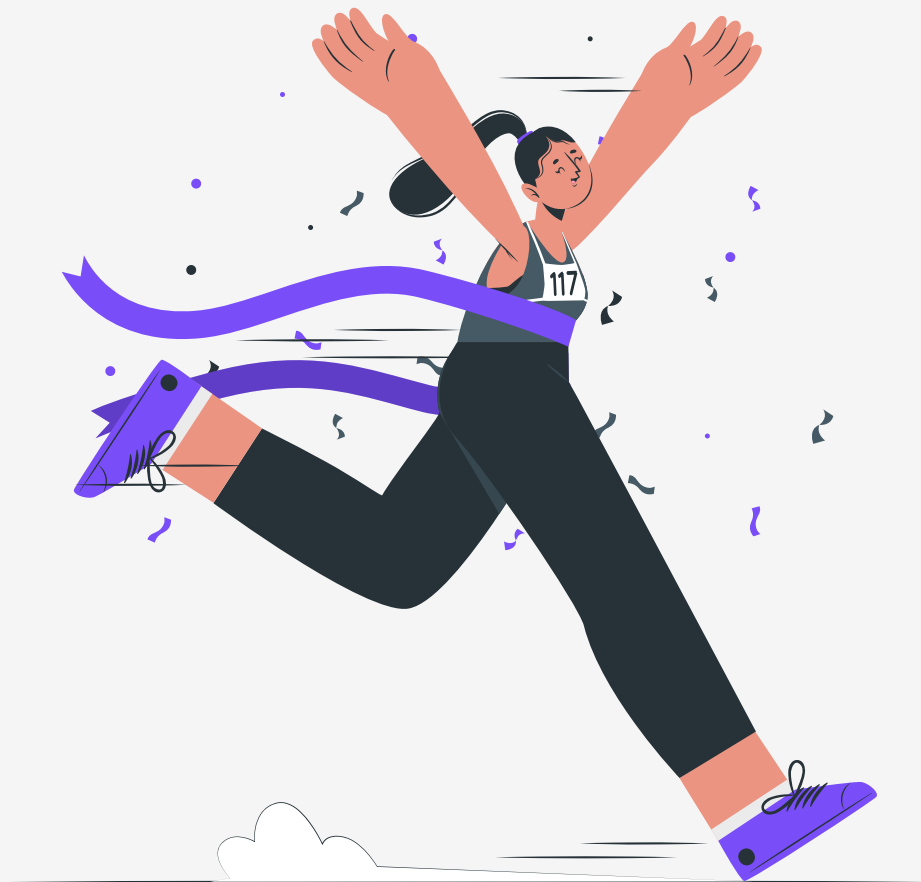
Client testimonials

Zero attrition in two years

Geoff Robinson
CEO, Koobani

Enabling team growth by tapping qualified talents outside the US

Jing Zhu
CEO, Duet, Inc.

Streamlining talent retention and enhancing internal engagement

Antoine Vatar
CEO, Albert

▶ Watch full interview   ▶ Watch full interview   ▶ Watch full interview

TOP SOFTWARE DEVELOPERS
Clutch
PHILIPPINES 2023

★★★★★
18 REVIEWS

PROVEN • TRUSTED
★★★★★
ACCELERANCE VERIFIED

Time Doctor° | OA500
GLOBAL OUTSOURCING FIRM INDEX
TOP 10
2023

NPS SCORE
81

glassdoor

5.0 ★★★★★

What our employees say

One year review

★★★★★

"Your suggestions are heard. They let you evaluate clients. They're also careful when choosing them so that you will be working with a good client."

See full Glassdoor review

Employee-first culture

★★★★★

"You can tell that the company always think what is best for their employees. Always supportive to employees growth and their well being. Promotes healthy life style, the company literally rewards you for working out, they even have an app for it."

See full Glassdoor review

Easily the best company to work for

★★★★★

"The executives are very hands-on and strive to find the best-fitting clients for the team's talents and situation."

See full Glassdoor review

Cost structure with Arcanys

Get the most benefit out of each dollar you invest, without losing on software product quality.

Experienced Software Developer	Sydney (AUD)	Arcanys (AUD)
Salary	$100,000	
Superannuation	$10,000	
Benefits + bonuses	$7,500	
Recruitment	$15,000	included
Overhead	$6,000	
Employer payroll taxes ***	$5,700	
Office or WFH setup	$5,000	
Total Cost for Year 1	$149,200	$66,000
Cost of living	High	Low
Turnover rate (various research)	★ 20%	★★★ 10%
ROI / Knowledge retention	Low	High
Cost savings		56%

*July 2022 exchange rate
**Payscale median for the position
***ADP Fast Wage and tax facts or government websites

Arcanys