Meet Distributed, the startup solving digital skills shortages with Elastic Teams

As part of our quick fire questions series – or QFQs – we spoke to Callum Adamson, cofounder and CEO, Distributed about delivering digital transformation projects, working with BT Digital and giving rewarding careers for a community of freelance IT professionals.

Along with my cofounder, Sam Rowlands, <u>Distributed</u> was founded because we identified what is a broken technology talent model. We realised that businesses big and small need to pursue digital transformation projects at such speed that they cannot find enough permanent staff to deliver them. After spending 10 years as a freelancer, I am also intimately aware of the pain points facing the self-employed and wanted to provide them with the most positive professional experience possible.

Tell me about the business - what is it,

what is it aiming to achieve, who do you work with, how do you reach customers, etc?

Distributed helps organisations overcome the digital skills shortage by giving them on-demand access to Elastic Teams of highly skilled and vetted freelance developers. This allows them to deliver digital projects more flexibly and cost-effectively because they can scale the volume of talent they engage with from this global pool up or down based on live requirements. Distributed supports customers across a range of industries – including Capita, WPP, and the Ministry of Justice.

Distributed is also committed to providing rewarding careers for the community of freelance IT professionals that make up the Elastic Team. This includes enabling all the benefits of self-employment, but with the perks of permanent employment, such as guaranteed paydays, and structured career development.

How has the business evolved since its launch? When was this?

Since launching in 2017, workplace trends such as the rise in remote working and The Great Resignation have driven an increase in appetite for professional flexibility and freelancing, while also exacerbating the tech talent shortage. Over the last few years, we've scaled our customer base – including a landmark £30M deal with BT – and grown the Elastic Team significantly. Distributed has grown into a leader in the private talent cloud market by genuinely putting the needs of freelance developers first.

How are you funded?

Distributed has secured £17M to date through VC funding, with the most recent round being co-led by Downing Ventures and Guinness Ventures. This followed a Series A funding round in May 2021. The £30M agreement with BT Digital in February has also been crucial to fuel our growth but was more than just a B2B customer deal. The partnership also saw BT take a stake in the business and join the Distributed board of advisors.

What has been your biggest challenge so far, and how have you overcome this?

Meeting the sheer demand for skilled tech talent. Over the next five years, <u>Microsoft predicts</u> the global workforce needs 149 million new technologyoriented jobs. Yet this is in contrast with the mere 65,000 new software developers graduating annually across the UK and US. That's a fundamental business issue but we only fully understood the scale once we started engaging customers.

We are working to help businesses overcome the scarcity of available human resources by facilitating a remote-first approach, which widens the talent pool to wherever there is a WiFi connection. In fact, when switching from local-only to remote-first recruitment, we've seen there can be up to a 430% increase in viable candidate availability.

How does Distributed answer an unmet need?

The digital skills shortage is one of the most significant unmet needs in the professional world right now. Distributed offers a combination of freelance flexibility, quality assurance and cost efficiency, which is disrupting how businesses are delivering digital initiatives and sourcing the employees to do so.

The Elastic Team methodology means businesses can pursue digital projects and use resources efficiently, removing the lengthy recruitment process that so often presents a barrier to large businesses working nimbly.

Given freelancers make up an increasingly large proportion of the global workforce, Distributed also provides a previously unavailable platform to address the traditional pain points of the self-employed experience.

We are defining the future of work through a model that supports both sides of the equation; putting the needs of talent first and as a result, becoming the destination of choice for freelance tech professionals.

What's in store for the future?

This year, we are launching 'Talent', our updated customer platform, which gives businesses deeper insights into projects and the bespoke Elastic Team

members working on them. It will also include real-time performance auditing and give an overview of the global talent market, to help them plan.

For our Elastic Team members, we are also working on a platform that offers freelance software engineers an entire career development suite. In 2023, our goal is to expand our Elastic Teams offering to less experienced developers, providing training and mentoring as standard.

What is one piece of advice would you give other founders or future founders?

Make strategic decisions that represent meaningful futures for your teams and your customers, learn and embody leadership, and hold yourself to the highest standards. Above all else – look after your teams!

Callum Adamson is cofounder and CEO of *Distributed*.

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