

Narrowing IT Talent Pool: A Qualitative Exploration of Job Market Challenges for Fresh Graduates in Sri Lanka

J.K.V.M. Jayasinghe^{1,*}, J.K.A.N. Jayasinghe², K.L. Mahaliyanaarachchi³, and N.A.P.S.R. Nanayakkara⁴

Department of Indigenous Health Sciences, Gampaha Wickramarachchi University of Indigenous Medicine, Yakkala, Sri Lanka^{1,4}

Department of Computer Systems Engineering, Sri Lanka Institute of Information Technology, Moratuwa, Sri Lanka²

Department of Information Technology, Faculty of Information Technology, University of Moratuwa, Moratuwa, Sri Lanka³

*Corresponding author: vishmi@gwu.ac.lk

Abstract

The Sri Lankan IT industry, despite being one of the fastest-growing industries, faces a pressing issue: the increasing number of IT graduates, yet a decreasing availability of suitable job opportunities. This study aims to investigate the underlying factors contributing to this discrepancy. Very few studies have been conducted addressing the factors affecting the limited job opportunities in the IT sector for fresh graduates in Sri Lanka. Therefore, it is a serious issue requiring concerted efforts, as it significantly impacts the future of the IT industry in Sri Lanka. A qualitative approach was used to conduct the research, utilising in-depth interviews and focus group discussions with key stakeholders, including recent IT graduates, industry employers, and academic representatives. Thematic analysis was employed to analyse data. Major findings revealed that even though the Sri Lankan education sector has seen significant growth, the job market has not expanded at the same rate. As a result, there is a surplus of graduates, resulting in intense competition and making it difficult for new graduates to secure entry-level positions. Additionally, the prevailing economic situation in the country, political instability, government tax policy, and financial crises have negatively impacted business growth and investment. The findings also noted that employers now prefer hiring experienced professionals over fresh graduates with limited practical exposure. To address these challenges, actionable strategies such as fostering stronger university–industry partnerships, revising curricula, incentivising organisations to recruit fresh graduates, and supporting startup ecosystems can be implemented. Such measures can help align graduate output with market demand and strengthen the employability of Sri Lanka’s future IT workforce.

Keywords: fresh graduates, intensified competition, IT industry, job market