

#### Introduction

These are some of the findings from <u>Datapeople's</u> Tech Hiring Report. Read the full report here: https://datapeople.io/tech-hiring-report/

### Tech job posts nearly doubled in 2021 and average number of applicants shrunk by 25%

The tech hiring market is tighter than ever. After a slowdown in 2020, the overall advertisements for tech jobs in 2021 was nearly double the number for 2019 and 2020. Compared to 2019, average candidate pool sizes were 25% lower in 2021. Compared to 2020 they were 35% lower.



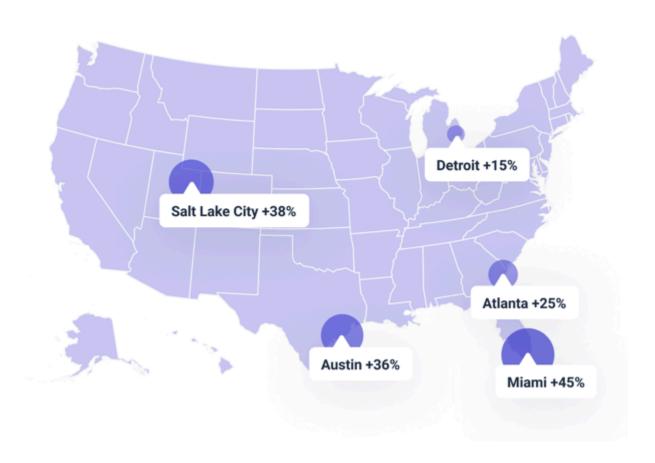
Why this matters: We know that the tech hiring market was especially tight in 2021 with fundraising and equity markets at all time highs. This shows an unusual tightening of the labor market in a very short period of time. The "Great Resignation" isn't just about unhappy candidates changing roles post-COVID. Companies are starved for candidates for tech jobs like never before.



### Miami, Salt Lake City and Austin are among fastest growing tech markets

Miami is among the fastest growing tech markets with 45% growth followed by Salt Lake City, Austin, Atlanta and Detroit

Representation of tech jobs posted in Bay Area and Seattle fell nearly 25% in 2021 relative to smaller markets.



**Why this matters:** The VC community has made a big hoopla on the exodus to markets like Miami and Texas and we are starting to see it play out in the hiring market



#### Tech job growth is growing faster outside of Big Tech and FAANG

Representation of Fortune 500 companies including FAANG fell 25% in the tech job universe as startups, unicorns, newly public companies and non-tech companies increased their hiring for tech roles

**Why this matters:** Software is eating the world and tech is starting to become diversified outside both the big city centers and FAANG and traditional big tech companies like Oracle, IBM and others.

### Fewer jobs require a degree, a Masters or an MBA (although FAANG companies still love their MBAs)

The representation of jobs not having explicit degree requirements grew almost 25%. This decline in degree requirements is seen across all job types. Master's degree requirements fell 35% and MBA requirements fell 17%. However, FAANG companies still prefer Master's Degrees more than ever with 25% more of their jobs asking for them.



Why this matters: As coding bootcamps and others show that anyone can learn and break into tech, companies are finally starting to lower their degree requirements. The tight labor market has accelerated this trend. Sheryl Sandberg is famous for saying that MBAs don't matter although FAANG companies have continued to ask for MBAs in many of their job posts. We are finally starting to see masters and MBA requirements decline across tech jobs.



# Tech certifications are on the decline but Cloud certification requirements are higher than ever (and AWS continues to grow the fastest)

Fewer jobs require tech certifications than ever except for InfoSec roles that are seeing an increase in demand for CISSP and CISM certifications. AWS continues to lead the pack in cloud certification popularity among employers although Azure and Google Cloud certifications are seeing rapid growth as well.



Why this matters: Certifications feel so 1990s as tech becomes more widespread in our economy. But certifications are still a bellwether for how technologies are perceived by employers and AWS is still growing the fastest although growth in demand for Azure and Google Cloud certifications was nearly as high.

#### LinkedIn is the most popular applicant source after Company's Career Site for tech jobs

LinkedIn seems to be the most popular job search engine for most tech roles although Indeed and ZipRecruiter do fairly well with IT Support and QA roles.

Why this matters: We've seen a proliferation of tech hiring platforms from Hired to TripleByte and others. However LinkedIn continues to be the primary source of tech applicants outside of a company's career site.

## Referrals are 9x more likely to get hired than applicants on a company's career site

Referred applicants were 9x more likely to get hired. Referrals are 18x more likely to get hired than an applicant via LinkedIn. Referrals are 2.5x more likely to get hired than candidates that companies reach out to.



Why this matters: As DE&I continues to drive hiring conversations and become a goal hiring teams are focused on, reliance on referrals for hiring hasn't gone down. Employment in tech continues to be closed off to candidates outside of in-networks.

#### Tech applicant pools continue to be largely male

Nearly 70% of applicants to tech jobs are men. This number is even higher for senior jobs. UI/UX Design, QA and ERP roles tend to have the most women apply while programming roles including front-end and backend software engineering jobs have the fewest women applying (as low as 19%).

Why this matters: The top of the funnel continues to be largely male despite the substantial focus and efforts made on diversifying tech. Part of this continues to be the preference for people with computer science degrees where women represent 1 in 5 graduates (vs. overall STEM degrees where women are a majority of graduates). (https://www.computerscience.org/resources/women-in-computer-science/)

Moreover, women continue to be less than <u>20% of engineering workforces</u> and less than <u>25% of computer engineering workforces</u> indicating that there is more than just a top-of-funnel problem.

### Amazon represents a staggering proportion of tech hiring and is bucking major hiring trends

Amazon hires nearly 50k tech jobs a year. This is multiples of even other big tech companies. They are also bucking a number of trends that we are seeing in other tech roles including:

- Having more degree and advanced degree requirements while the rest of the industry is asking for less;
- 2. Making roles explicitly not remote as tech jobs quickly go remote; and,
- 3. Hiring in bigger tech hubs like NYC and LA where we tech is growing faster in emerging hubs like Miami and Salt Lake City.

## Remote hiring is reshaping the tech landscape and driving new requirements in tech roles

Data shows a dramatic increase in remote jobs in companies that were not historically remote. Historically speaking, Unicorns and Startups have been the biggest sources of remote jobs. Remote jobs continue to grow rapidly there but Fortune 500 and Public Companies are also seeing near 300% increases in remote job posts. With this growth in remote jobs is a massive



increase in the demand for experience managing remote teams (221%) and experience collaborating in remote teams (67%)

Why this matters: Post-COVID remote work continues to shape the tech employment landscape. Even old tech behemoths, which have historically avoided remote work and invested in sprawling campuses, are forced to operate and look for new skills in this new world. Methodology: How did we come up with these results

### Our methodology: How do you know these findings are representative?

Datapeople uses a job description dataset that contains 2 million jobs posted in 2021 from over 10,000 employers. Outcome and gender diversity data is based on hundreds of thousands of jobs and verified outcomes from data sharing arrangements with partners. The dataset specifically focuses on full-time technology jobs based in the United States. The dataset excludes jobs at universities, government agencies and non-profits. The dataset excludes internships.