dexian™

Q2 2024

IT Labor

Trends Report

IT'S ABOUT TIME FOR SOME GOOD NEWS...

Well, 2023 was an interesting year. When I reflect on it, the challenges that marked 2023 are numerous, including a global economic slowdown, a looming threat of a recession, the Russia–Ukraine war, and mass layoffs of many of the big tech companies. I, for one, thought it was about time to reflect on and share some good news.

I've seen quite a bit of it recently among many different sources and research. Let's start with the fact that, despite some high-profile layoffs, the overall tech industry added 240,000 jobs in 2023 – a 50% increase from the previous year. And the first quarter of 2024 has seen increased growth within the tech sector, adding 203,000 jobs in March alone. The IT unemployment rate held steady at 2.4%, which is considered full employment by any measure. Furthermore, the tech job market is expected to continue its upward trajectory in 2024, according to the Bureau of Labor Statistics.
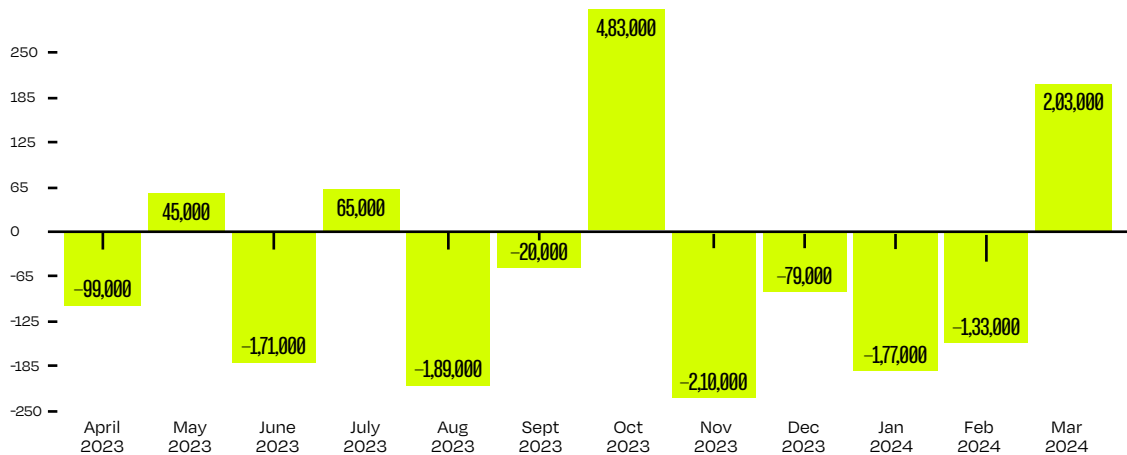
Other uplifting news?

- The $245-billion IT services industry has implemented salary increases ranging from 10%-15% for specified roles, highlighting a positive outlook for compensation in the sector, according to TechFair.com.

- Net tech employment spanning tech industry and tech occupation employment totals more than 9.6 million workers, says CompTIA.

- The demand for workers in the tech industry is expected to remain strong, with 61% of tech managers planning to hire for new roles in 2024, according to TechFair.com.

As we continue to monitor trends within the tech sector, I hope you find these insights and our IT Labor Trends Report helpful in navigating the labor market and informing your hiring and retention efforts.

Maruf Ahmed, CEO
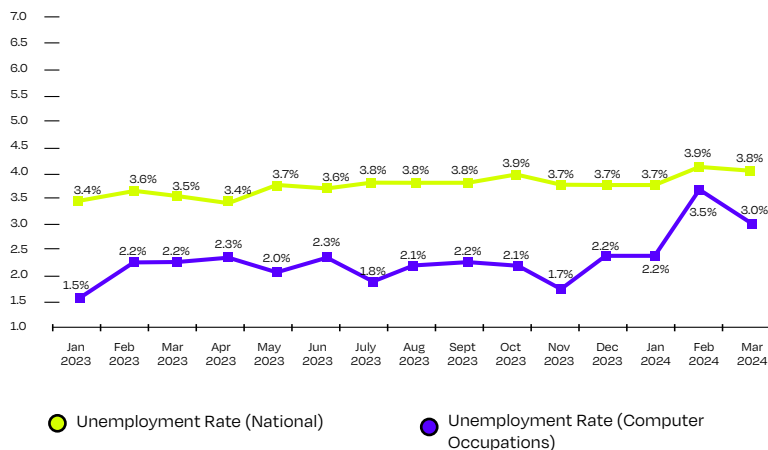
Key National Figures for IT Employment

MONTHLY IT JOB GAINS – YOY

Employers accelerated their hiring of technology workers and expanded their search for new tech talent in March, according to CompTIA's analysis of the U.S. Bureau of Labor Statistics' March 2024 jobs report. Technology companies added an estimated 6,000 workers last month and technology occupations throughout the economy increased by 203,000 for the month.

Sources: CompTIA

IT & NATIONAL UNEMPLOYMENT RATES

○ Unemployment Rate (National)   ● Unemployment Rate (Computer Occupations)

The U.S. unemployment rate dropped slightly in March 2024 from 3.9% in February to 3.8%. However, the national unemployment rate has hovered around 3.8% since July 2023. Meanwhile, the increase in hiring within the tech sector this quarter has pushed the unemployment rate for tech occupations back down to 3%, a five percentage point drop from February 2024.

Sources: BLS, CompTIA

CHANGING REQUIREMENTS FOR TECH JOBS

The March 2024 CompTIA report and analysis of job posting data affirms that there are a variety of paths to a job in technology. The report shows that 46% of all tech jobs postings in March did not specify that candidates have a four-year degree. Percentages were higher in certain job categories, such as:

- **IT support specialists (75%)**
- **Network support specialists (66%)**
- **Web UI/UX designers (62%)**

Meanwhile, jobs in artificial intelligence (AI) or for occupations that require AI skills accounted for 41% of March postings in the emerging technologies sub-category.

IT STAFFING EMPLOYMENT				
March 2024	**TechServe Alliance IT Employment Index**	**Computer systems and design services**	**Management and technical consulting services**	**Data processing, hosting and related services**
Number of jobs	5,308,200	2,537,100	1,896,300	497,400
Change from previous month	+0.2%	+0.2%	+0.3%	+0.5%
Change from March 2023	-0.71%	+2.3%	+2.7%	+2.7%

IT employment ticked up 0.02%, adding 800 jobs in March, according to TechServe Alliance, the national trade association for the IT & Engineering Staffing and Solutions Industry. While on a year-over-year basis IT employment remains down 0.71% or a loss of 38,000 positions, the loss continues to decline.

Source: TechServe Alliance

IT SKILLS MOST IN DEMAND

	Q4 2023	Q1 2024
1	Business Analyst (Technical)	Application Production Support
2	Program Manager	Java Developer
3	Application Production Support	SAP Developer
4	Java Developer	System Engineer
5	Project Manager - (Non-Technical)	.NET Developer
6	Data Analyst	Help Desk
7	Business Analyst (Non-Technical)	Product Manager
8	Business Process Analyst	Automated Tester
9	.NET Developer	Cybersecurity Analyst
10	Other Application Developer	Other Application Developer

Among the most in-demand skills Dexian tracks, developers comprise the four of the ten most in-demand this quarter. This aligns with what led to most of the job growth in the tech sector this quarter, technology services, software development, cloud infrastructure and related positions.

Sources: Dexian

FASTEST/LONGEST TIME-TO-FILL SKILL SETS

Fastest	Slowest
SSIS Developer	HADOOP
Other BI Developer	Storage Engineer
Ab Initio Developer	Windows Engineer
Oracle Developer	Infrastructure Security
Spotfire	Application Security
DBA	Websphere Administrator
Network Administrator	Other Support
BizTalk	Firewall Engineer
Citrix Administrator	Microstrategy Developer
PHP Developer	Network Engineer

By occupation category, software developers and IT support specialists saw the largest increases in openings from February to March, according to a CompTIA April 2024 report. For Dexian clients seeking to hire a range of software developers, the good news is five of the 10 skills on the "fastest to fill" list are developers
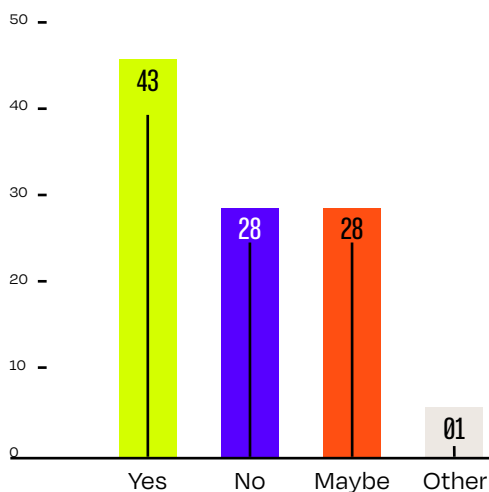
Sources: Dexian

UNIQUE JOB POSTINGS, TECH & COMPUTER-RELATED OCCUPATIONS		
Occupation	Unique Job Postings – Q1 2024	Change from Q4 2023
Software Developer	146,320	+19%
Software Quality Assurance Analyst	17,916	+19%
Computer Occupations, All Other	102,756	+19%
Computer Systems Analyst	42,147	+17%
Network and Computer System Administrator	21,054	+8%
Information Security Analyst	28,188	+18%
Computer and Information Systems Manager	7,520	+16%
Computer Programmer	12,030	+17%
Database Administrator	22,994	+26%
Computer Hardware Engineer	2,404	+18%
Computer Network Architect	16,949	+14%
Total/Average Change	408,248	+17%

Employers added 191,000 new job postings for tech positions, an increase of 8,000 from the previous month and the highest volume since August 2023. In total, there were an estimated 438,000 active tech job postings in March. All of the job categories tracked by Dexian increased quarter-over-quarter. In total, the average change for all occupations tracked was a +17% increase from last quarter.

Sources: Lightcast, Dexian analysis

IS IT ALL ABOUT THE MONEY?

According to the Wall Street Journal, around 40% of job-switchers who took lower-paying jobs from late 2020-2022 said their new roles were better, highlighting a shift toward employers that prioritize work-life balance and a strong values-driven culture. Our own LinkedIn poll finds 43% of respondents say they would take a pay cut for a less stressful job, and another 28% said maybe.

Sources: Dexian LinkedIn Poll, March 2024

WHAT JOB SEEKERS WANT FROM THEIR CAREER

Good Salary and Benefits

Are still the most important considerations for today's job seekers.

Doing work they are proud of

Taking care of finances

Providing for family

While every job seeker is unique, according to a recent report, Job Seekers: What They Want" by CareerBuilder, some career motivations hold true regardless of profession. It's no surprise that "good salary and benefits" are at the top of the list for today's job seekers, however doing work they are proud of, taking care of finances, and providing for their family are also high on their list.

Sources: CareerBuilder, 2024