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Custom Teams.
Custom Software.

Hiring By The Numbers

Your Guide to Navigating the New Normal for Hiring Developers

What is the average salary for a developer in the US?

$117,120

Software Engineer Salaries Vary Based
on Experience, Expertise and Skill

Average Salary for Specific Positions

In-Demand Tech Fields

Professionals in these positions stand to
earn higher salaries at higher levels.

| DevOps Engineer	Big Data Engineer		Senior Software Engineer	Mobile App Developer	Applications Architect
$125,750	$141,500		$150,893	$152,893	$167,633

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How are Salaries Trending for Software Developers?

Factors that Impact Salary

- Years of Experience
- Technical Abilities + Skillset
- Type of Business
- Company Size
- Location

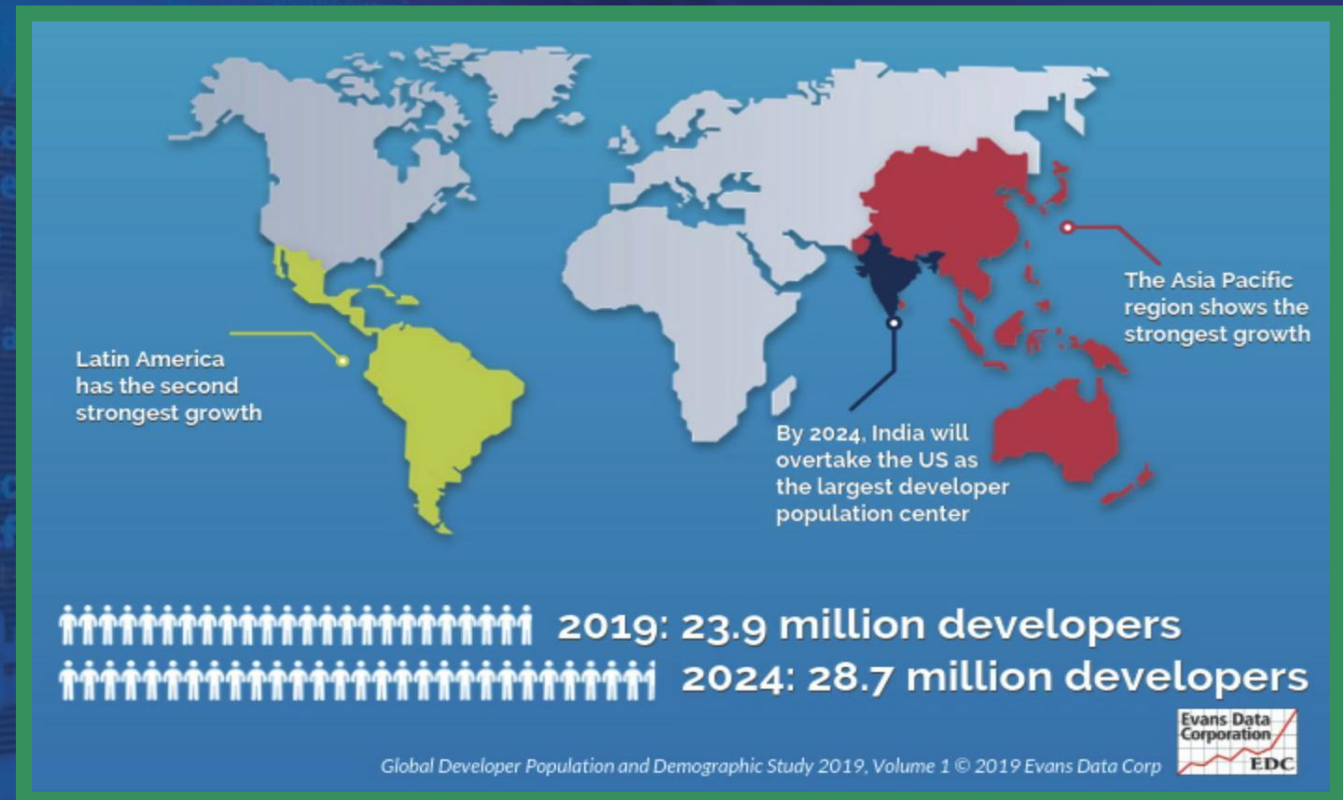## Annual pay for software engineers over the years
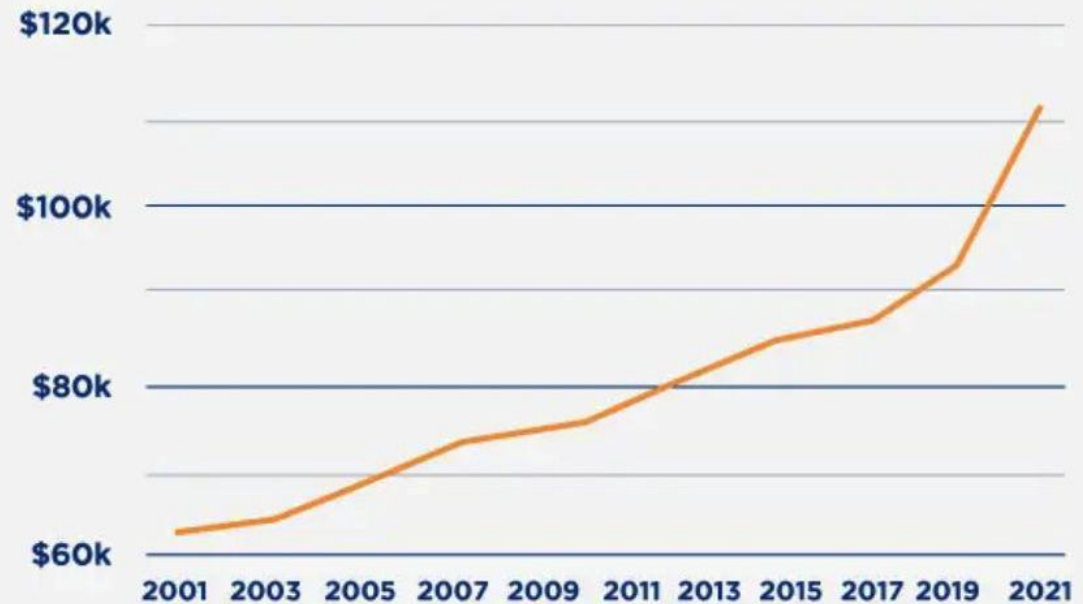
Global Developer Population and Demographic

Excellent potential for software developers of all levels in the coming years

25% ⬆

Expected growth of employment for software developers from 2021-2031

Latin America has the second strongest growth

The Asia Pacific region shows the strongest growth

By 2024, India will overtake the US as the largest developer population center

2019: 23.9 million developers
2024: 28.7 million developers

Evans Data Corporation EDC

Global Developer Population and Demographic Study 2019, Volume 1 © 2019 Evans Data Corp
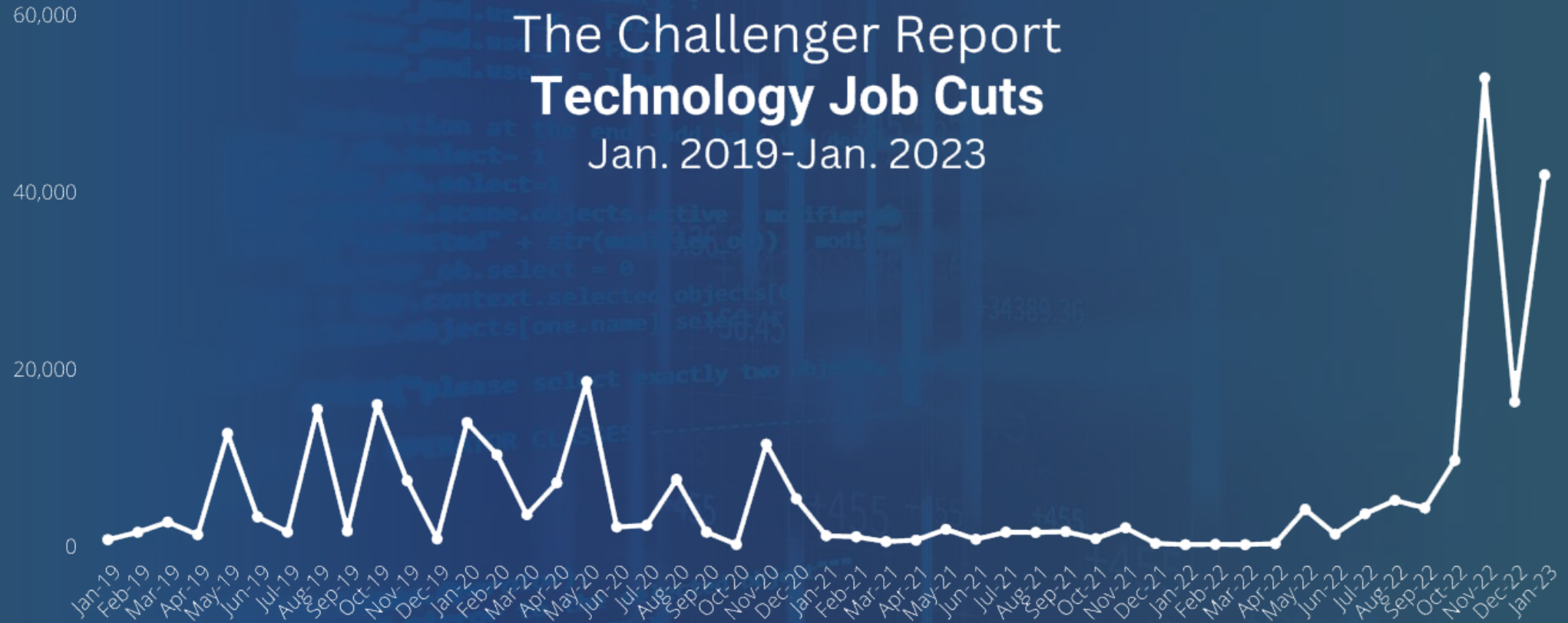
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Have Retention Rates Worsened?

57.3%

Average Annual Turnover Rate for
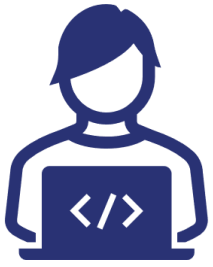Software Developers (2021)

Factors that Contribute to Turnover

- Career Advancement Issues
- Pay and Benefits
- Lack of Fit

- Management Issues
- Flexibility
- Job Security

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Technology Cuts from Jan 2019 - Jan 2023

The Challenger Report
Technology Job Cuts
Jan. 2019-Jan. 2023

60,000

40,000

20,000

0

Jan-19 Feb-19 Mar-19 Apr-19 May-19 Jun-19 Jul-19 Aug-19 Sep-19 Oct-19 Nov-19 Dec-19 Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20 Jul-20 Aug-20 Sep-20 Oct-20 Nov-20 Dec-20 Jan-21 Feb-21 Mar-21 Apr-21 May-21 Jun-21 Jul-21 Aug-21 Sep-21 Oct-21 Nov-21 Dec-21 Jan-22 Feb-22 Mar-22 Apr-22 May-22 Jun-22 Jul-22 Aug-22 Sep-22 Oct-22 Nov-22 Dec-22 Jan-23

Source: Challenger, Gray & Christmas, Inc.

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Why are Tech Layoffs Happening?

Hiring Frenzy

Over-hiring during COVID-19–the pandemic and the behaviors it cultivated, such as remote work and buying groceries online, prompted tech companies to hire rapidly and aggressively.

Possible Recession

Digital advertisers are cutting back on spending and rising inflation is curbing consumer spending.

Maturation of Tech Industry

Tech companies may not be on pace to acquire as many new customers since many people have already adopted their services. Instead, tech companies may be looking beyond growth and into diversifying products or expanding globally.

Investor Pressure to Manage Headcount

Layoffs are a tried-and-true tactic to appease investors that want action. USA Today says, "It's not that big techs are running short on cash, but they're making huge investments into risky new business areas. And these things have gotten a lot more expensive to fund. So, they're pulling back." [8]

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Summary of Why Layoffs are Happening

Below is the first month of lays off in 2023 – 42,000 of the 102,943 are tech jobs

CHALLENGER, GRAY & CHRISTMAS, INC.
**JOB CUT ANNOUNCEMENT REPORT**
Table 4: JOB CUTS BY REASON

	Jan-23
Market/Economic Conditions	86,526
No Reason Provided	5,777
Closing	5,744
Restructuring	2,031
Cost-Cutting	1,992
Contract Loss	734
Acquisition/Merger	71
Supply Shortage	50
Voluntary Severance/Buyouts	18
TOTAL	**102,943**

Statistics of Major Tech Hiring

Tech companies employees

AMAZON — Increase 2019-2022 +93%

MICROSOFT +53%

META +92%

APPLE +20%

ALPHABET +60%
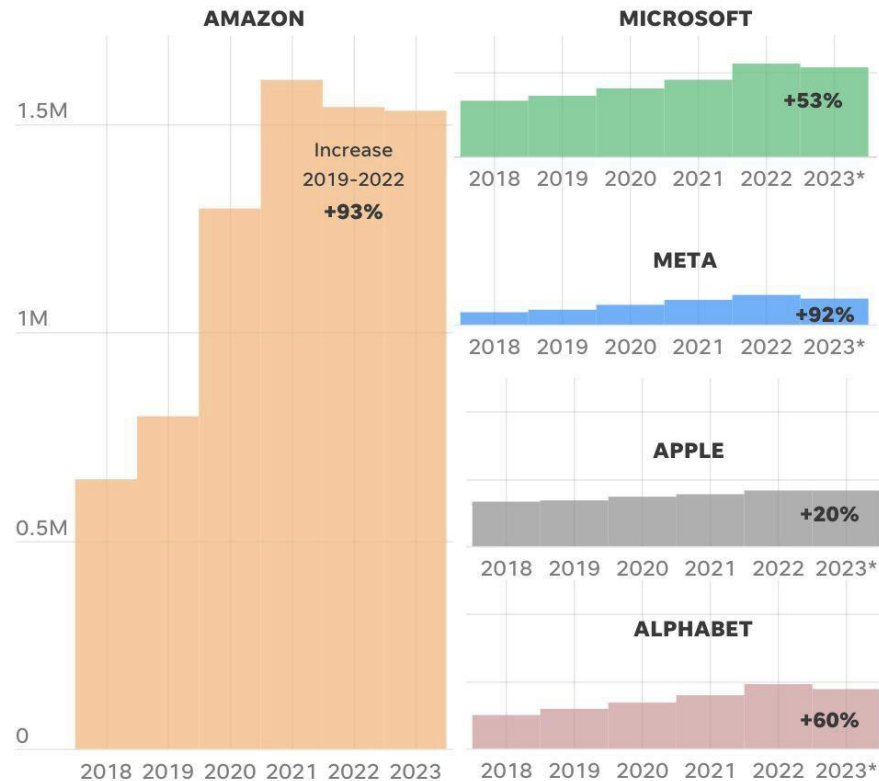
Tech companies go on a hiring spree — Alphabet, Apple, Amazon, Meta, Microsoft
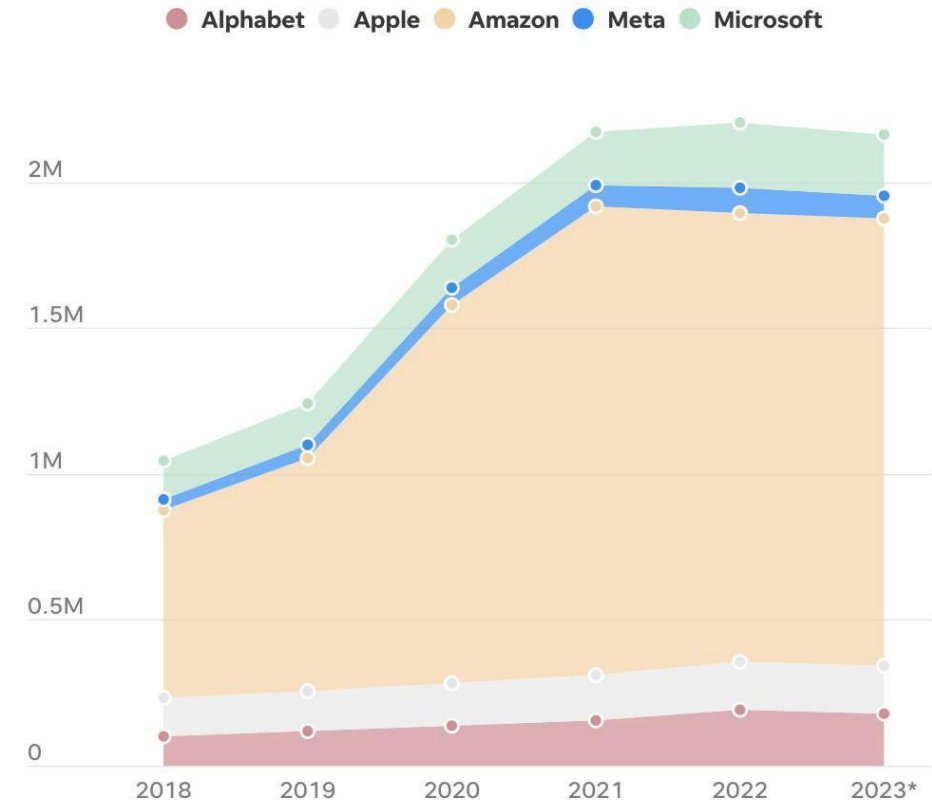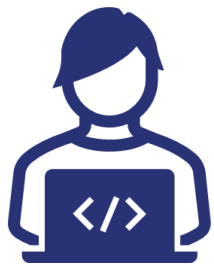
How Have the Recent Layoffs in Big Tech Affected the Market?
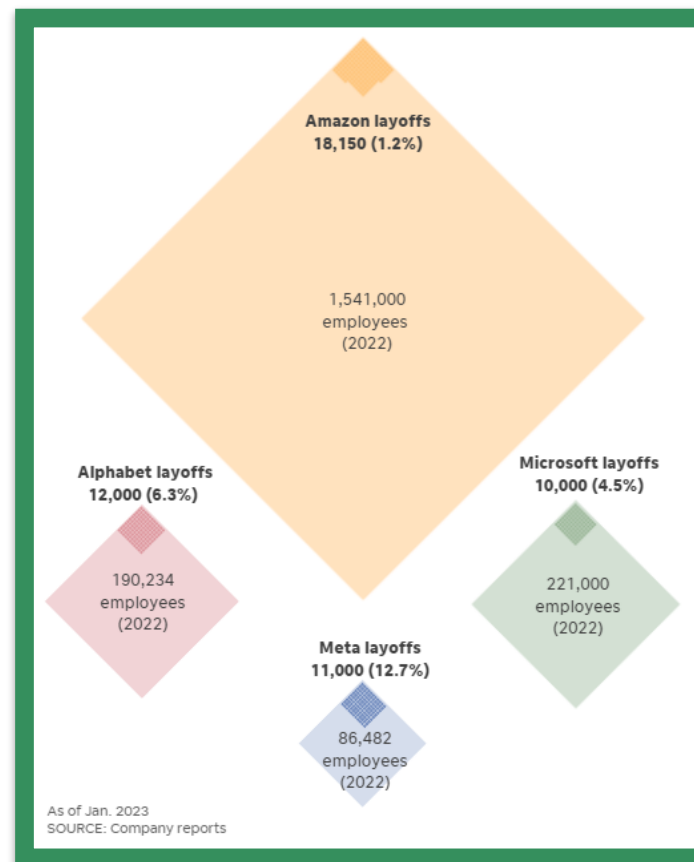
Less Competition within Hiring Market

Tech employees are being reabsorbed into the market and therefore competition with Big Tech firms has decreased for Small to Midsize Businesses.

Tech Unemployment is Decreasing

Tech employment is decreasing from 1.8% to 1.5% in December 2022.

Big Tech Represents a Small Share of Tech Companies' Workforces

Layoffs are never positive, but the top 5 Big Tech companies are a relatively small share of all workforces for Tech companies.

Amazon layoffs
18,150 (1.2%)

1,541,000 employees (2022)

Alphabet layoffs
12,000 (6.3%)

Microsoft layoffs
10,000 (4.5%)

190,234 employees (2022)

221,000 employees (2022)

Meta layoffs
11,000 (12.7%)

86,482 employees (2022)

As of Jan. 2023
SOURCE: Company reports

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What to Expect for 2023

2023

Hiring Will Continue

There are more than 375,000 tech jobs in the US that need to be filled in 2023. 4x as many job openings as there have been layoffs.

Layoffs Will Continue in Big Tech

Tech companies are still decreasing their workforce due to over hiring during periods of rapid growth.

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EC Group International

Why EC Group?

95%
Developer Retention Rate

We assemble teams that are focused on your needs, ensuring long term success. We invest in our people so they can provide ongoing value to our clients.

Offshore Development with Stateside Guidance

The offshore developers we place become completely integrated and a part of your software team.

20+
Years in Business

Our domain expertise and software capabilities are rooted in our experience in hiring developers for over 2 decades.

Custom Teams. Custom Software.

We work with you every step of the way to deliver a product and team built for your specific needs.

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Custom Teams.
Custom Software.

Thank You

Sources

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(2) Page 2 – Software Engineer Salary in 2023
(3) Page 4 – Chart
(4) Page 5 – Hiring Delays
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(6) Page 6 – Retention Rates 2nd source
(7) Page 7 – 2023 Outlook
(8) Page 8, 9, 10, 11 – Layoffs
(9) Page 12 – 2023 Outlook 2