

AUGUST 2020

# AUSTIN AREA TECHNOLOGY TALENT *LABOR MARKET STUDY*

**ALEXANDER**  
RESEARCH & CONSULTING

# ABOUT US

## ALEXANDER RESEARCH & CONSULTING

- Provides insights and support to help organizations amplify their impact and reach new heights
- A wide range services - research, analytics, program evaluation, strategic planning, and implementation support
- Specialization in community, economic, and workforce development

## CITY LIGHTS GROUP

- **Collaborate** – we leverage our experience in corporate/nonprofit/public sectors to launch innovative projects and advance new ideas.
- **Plan** – we help our clients identify root causes for community challenges, develop model programs, and build financial models.
- **Invest** – our clients are using capital in innovative new ways. Drawing on our deep experience with CDFIs, we use targeted investment strategies to create lasting impact.

# PROJECT OVERVIEW

Objective  
1

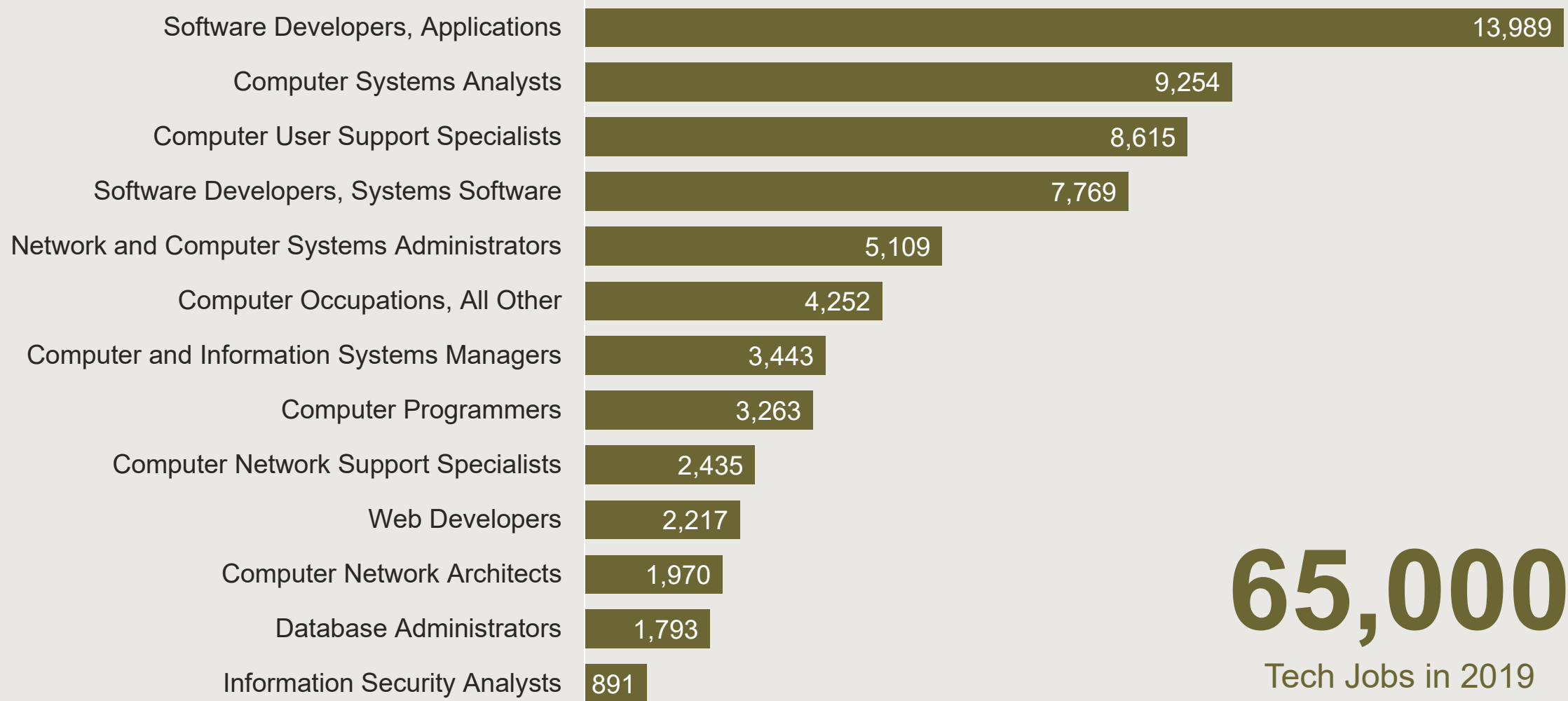
Develop better understanding of tech workforce and talent pipeline

Objective  
2

Offer alignment strategies

# CURRENT TECHNOLOGY WORKFORCE

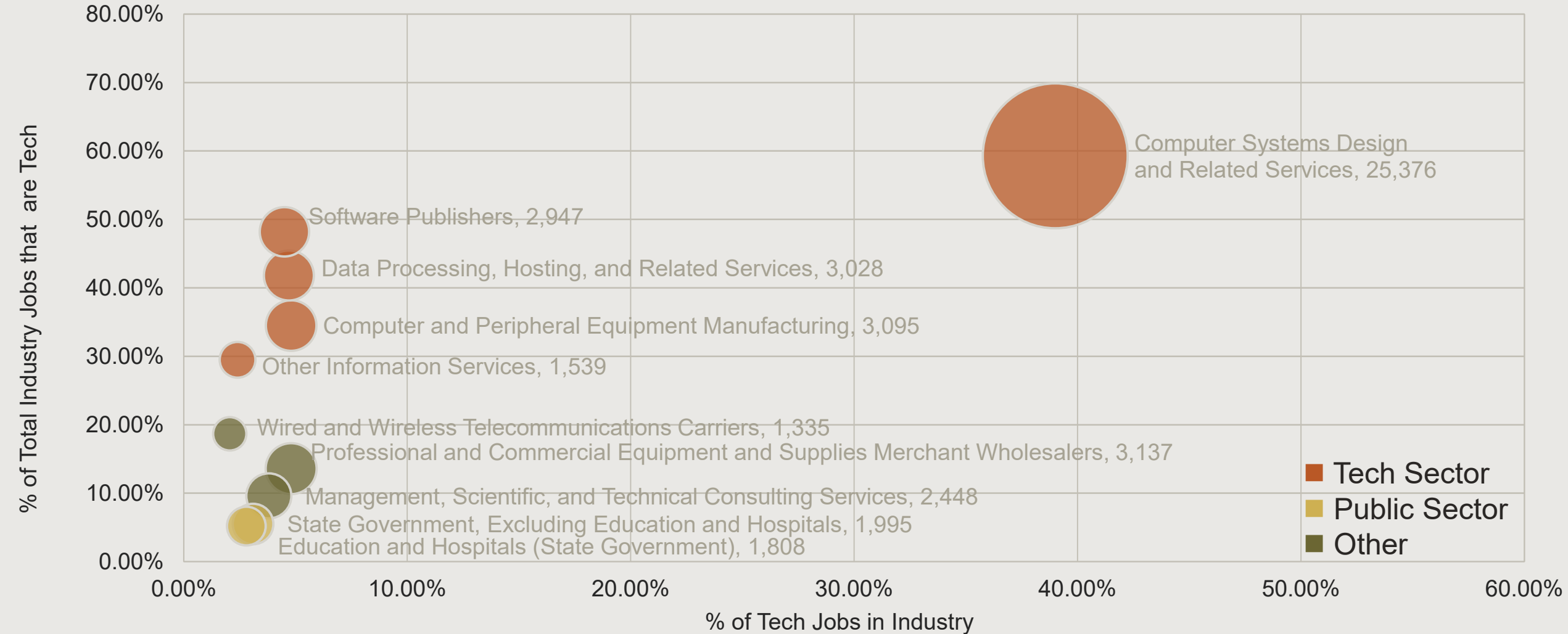
*BY OCCUPATION, 2019*



*Source: Emsi 2020.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed, All statistics for the Austin Metropolitan Statistical Area (MSA), which includes Travis, Bastrop, Caldwell, Hays, and Williamson Counties.*

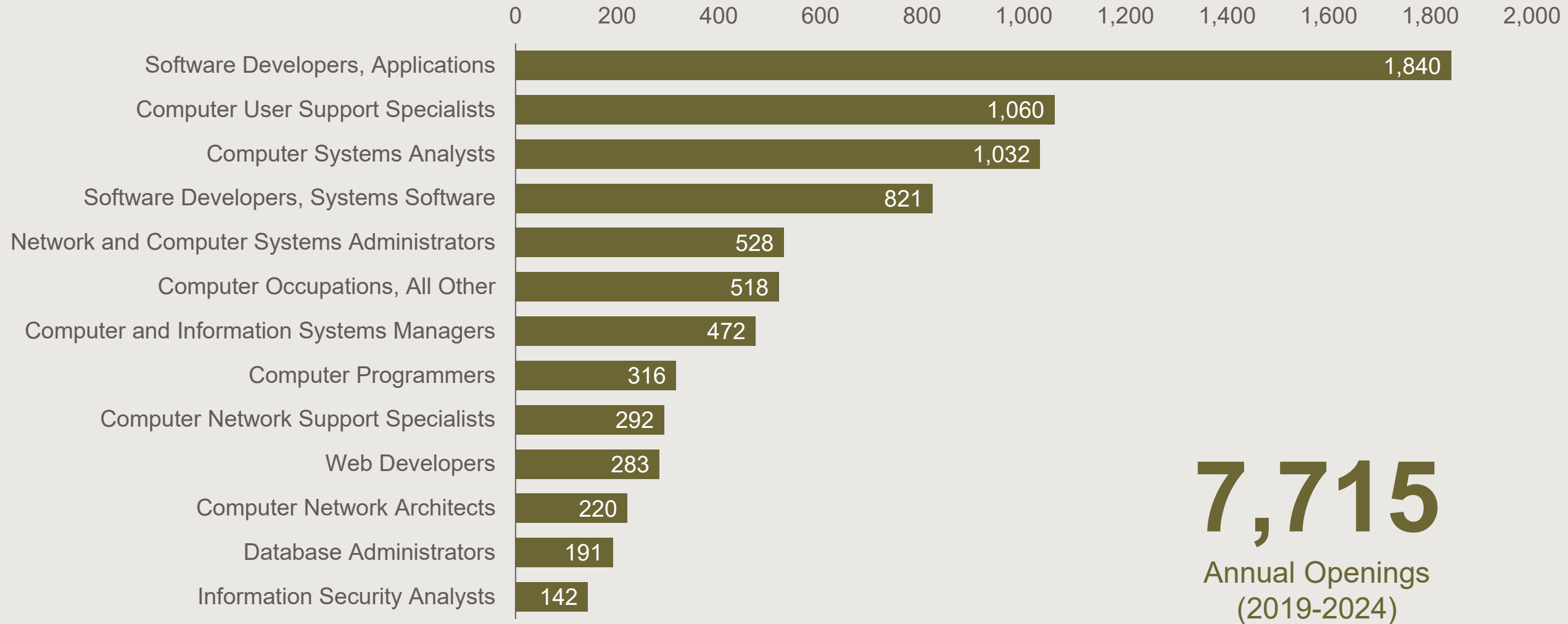
# INDUSTRIES THAT USE TECH TALENT

## TOP 10 INDUSTRY SECTORS, 2019



# OCCUPATIONAL DEMAND

*BY ANNUAL OPENINGS, 2019-2024*



*Source: Emsi 2020.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed, All statistics for the Austin Metropolitan Statistical Area (MSA), which includes Travis, Bastrop, Caldwell, Hays, and Williamson Counties.*



# ANNOUNCED COMPANY EXPANSIONS/RELOCATIONS

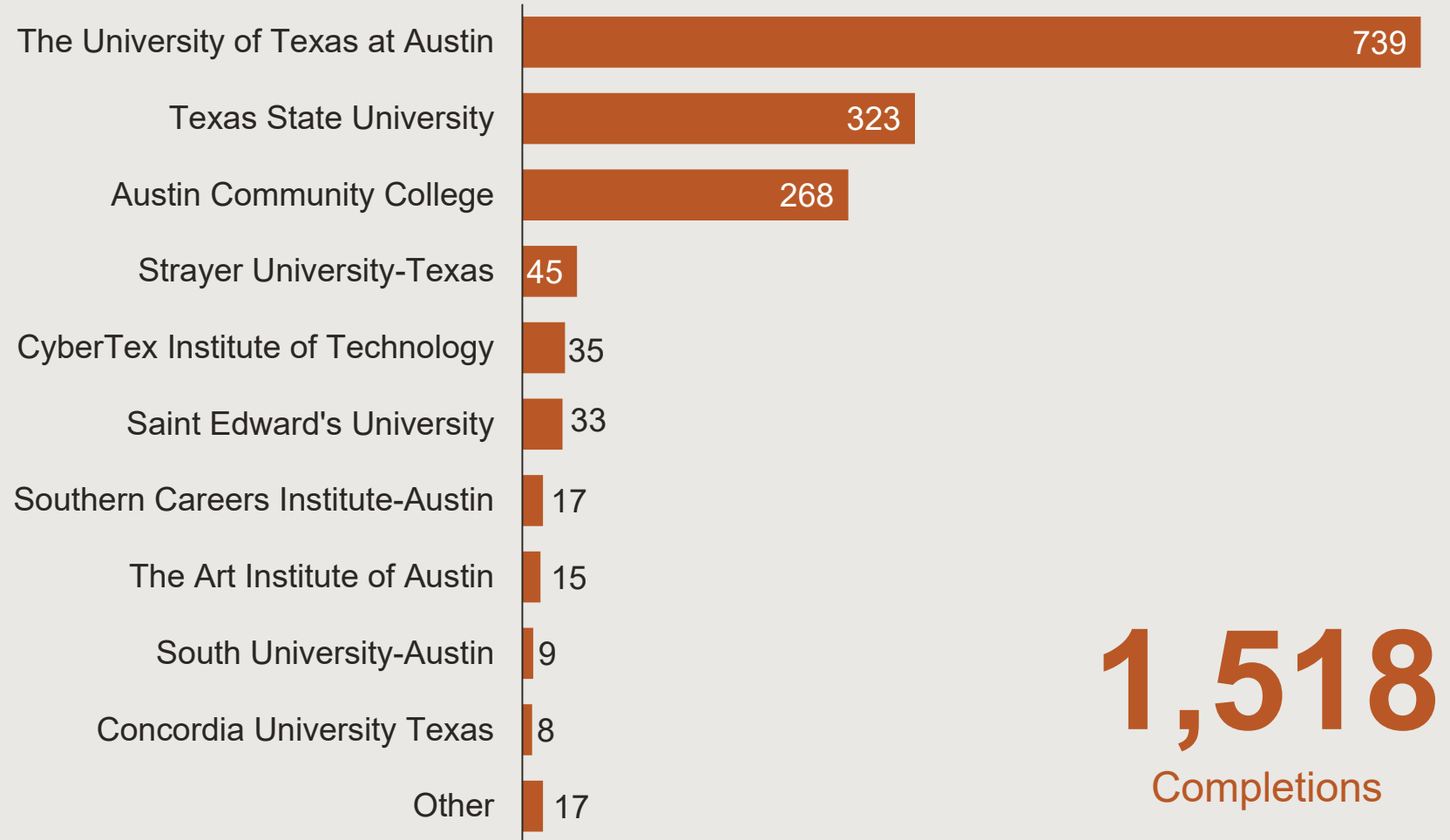
*2018-2019, 200+ JOBS CREATED*

COMPANY NAME	TYPE OF OPERATION	JOBS CREATED	TYPE OF ACTION
Apple	Computer maker's tech, chip engineering, & admin support center (Americas Hdq.)	5,000	New/ Expanded
Charles Schwab	Investment trading technology development	1,500	New/ Expanded
Indeed	Online job search website (Hdq.)	1,500	Expanded
Oracle Corp.	Chip, hardware, & software design, data center	1,000	Expanded
Amazon	Online retailer's digital product dev.	800	Expanded
Google	Internet search & related tech dev & sales, marketing & staffing	750	Expanded
Arrive Logistics	Shipping management software (Hdq.)	500	Expanded
U.S. Army Futures Command	Military modernization/technology dev. center (Hdq.)	500	New
General Motors	IT innovation center, vehicle applications & business processes	500	Expanded
Zoho	Integrated business applications cloud platform (Hdq.)	440	New/ Expanded
H-E-B Innovation Hub	Grocery retailer's digital innovation hub	250	Expanded
Opcity	Real estate agent-homebuyer matching & lead optimization platform (Hdq.)	200	Expanded
Ericsson	Application specific IC design center	200	Expanded
Babylon	Digital healthcare services (Hdq.)	200	New

*Source. Greater Austin Chamber of Commerce.*

# SUPPLY OF TECHNOLOGY WORKERS

*GRADUATES OF COMPUTER SCIENCE AND IT-RELATED PROGRAMS, 2018*

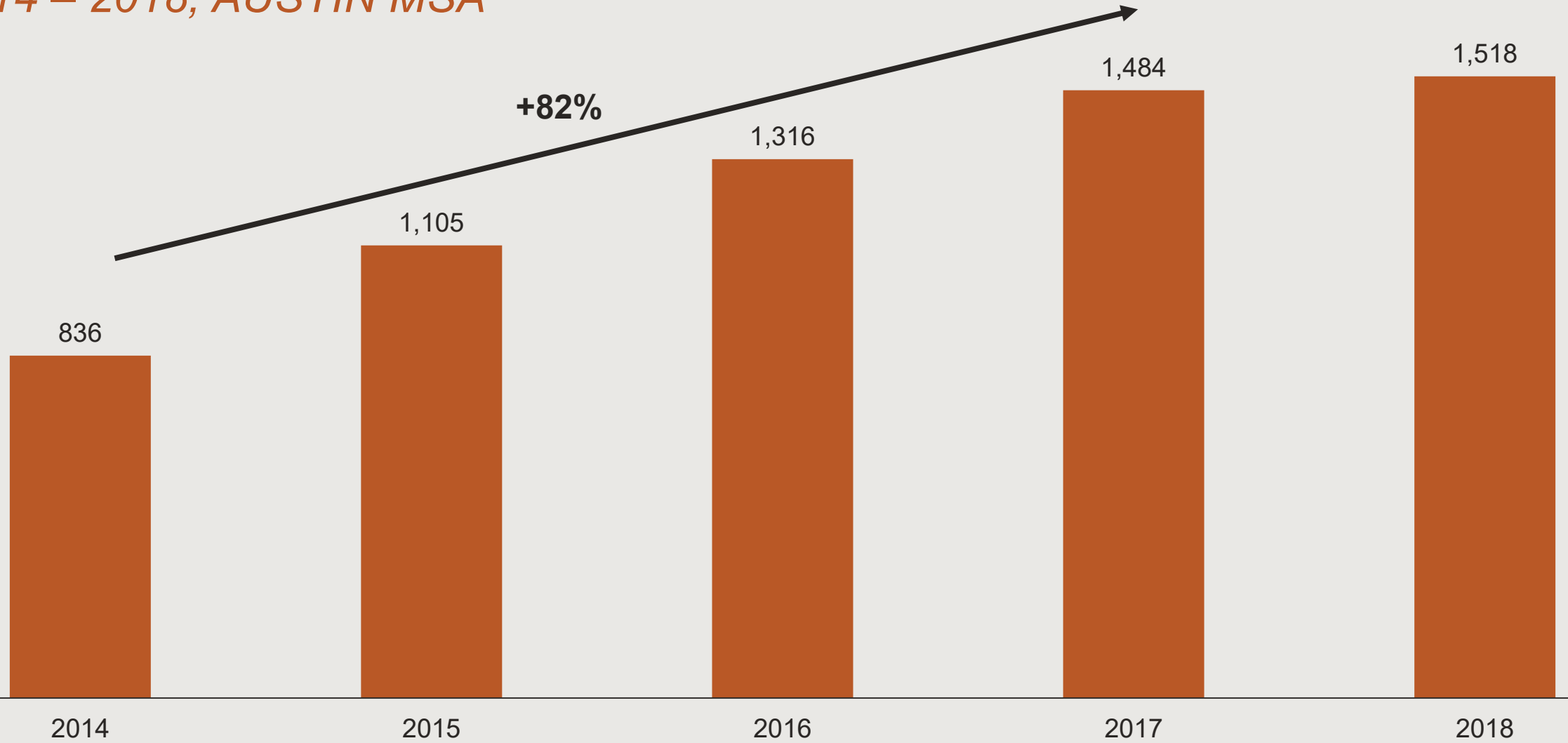


Source: National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS)



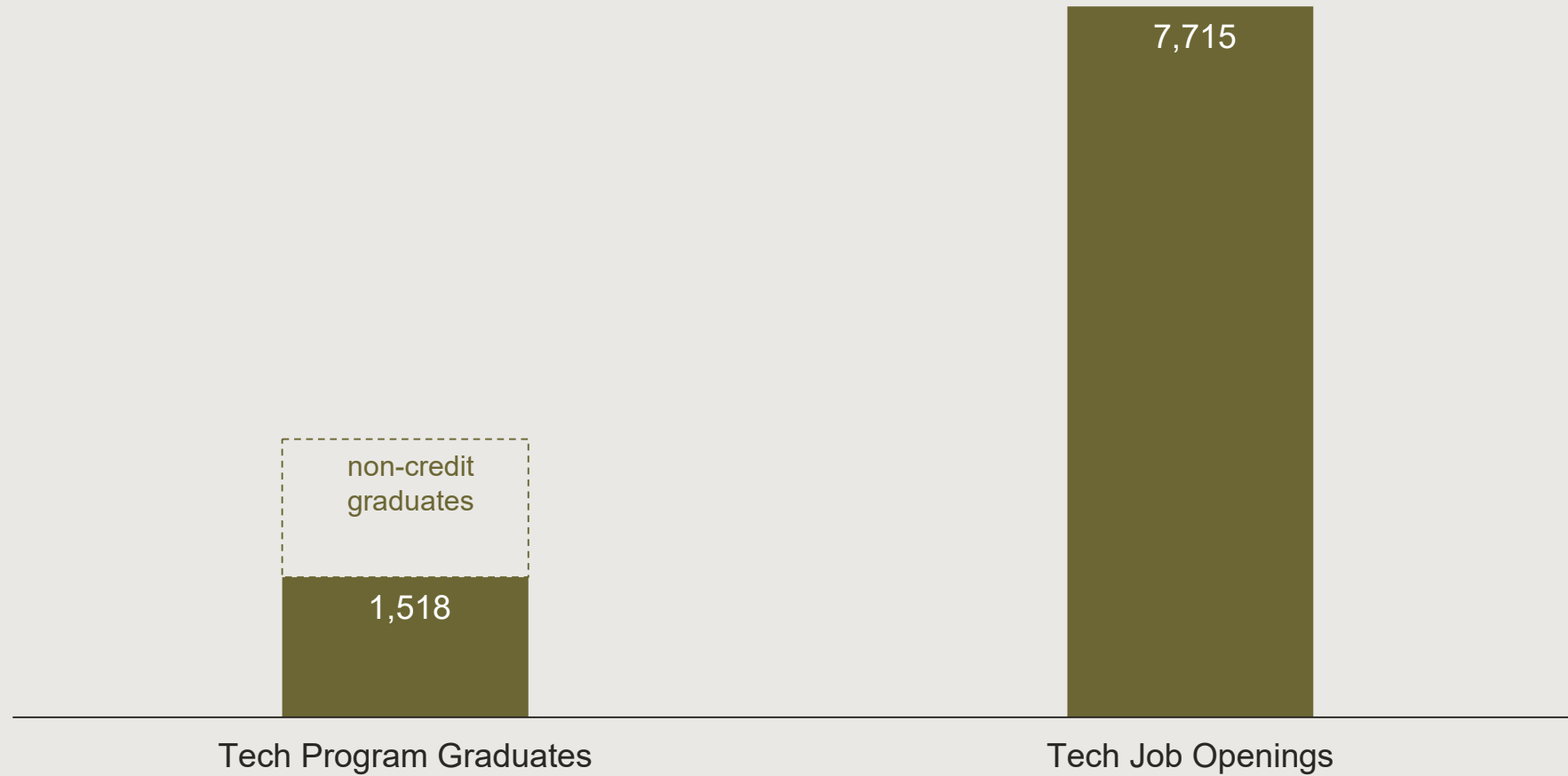
# IT & CS GRADUATES

2014 – 2018, AUSTIN MSA



Source: National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS)

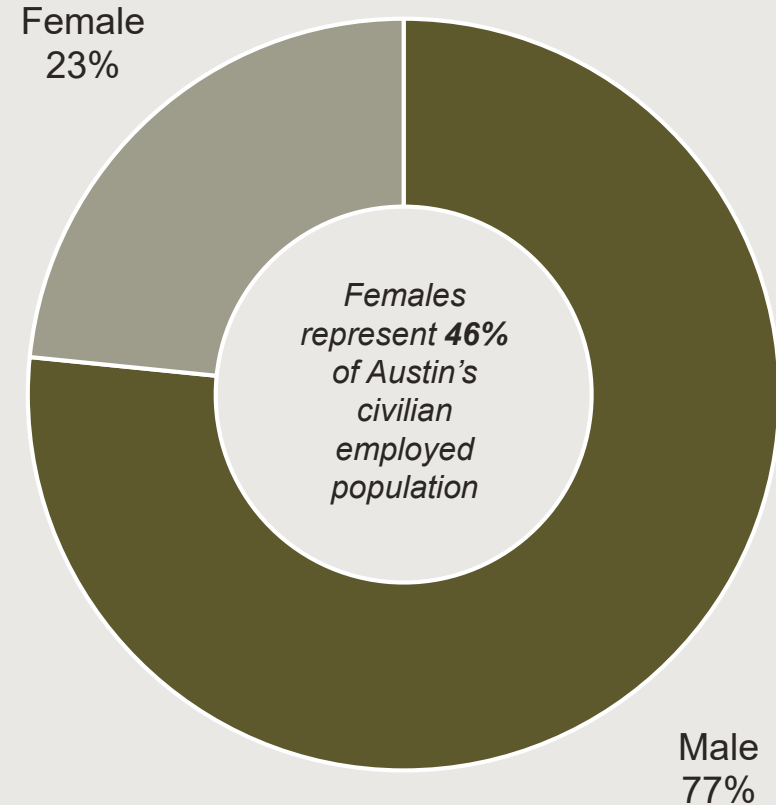
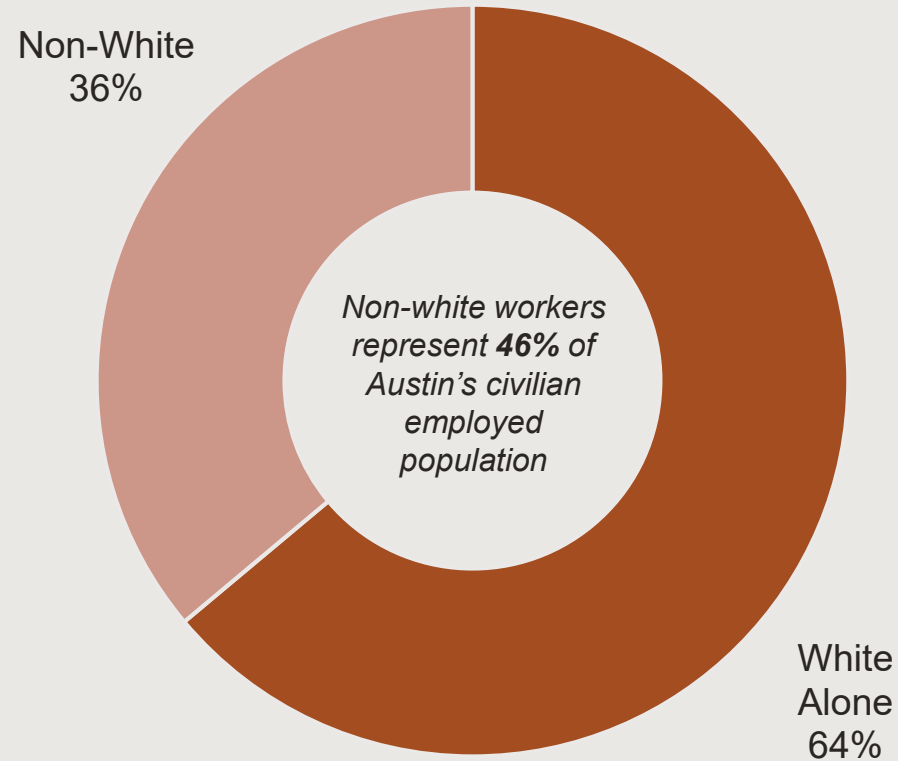
# COMPARISON OF GRADUATES TO OPENINGS



Source: National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), Emsi 2020.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed.

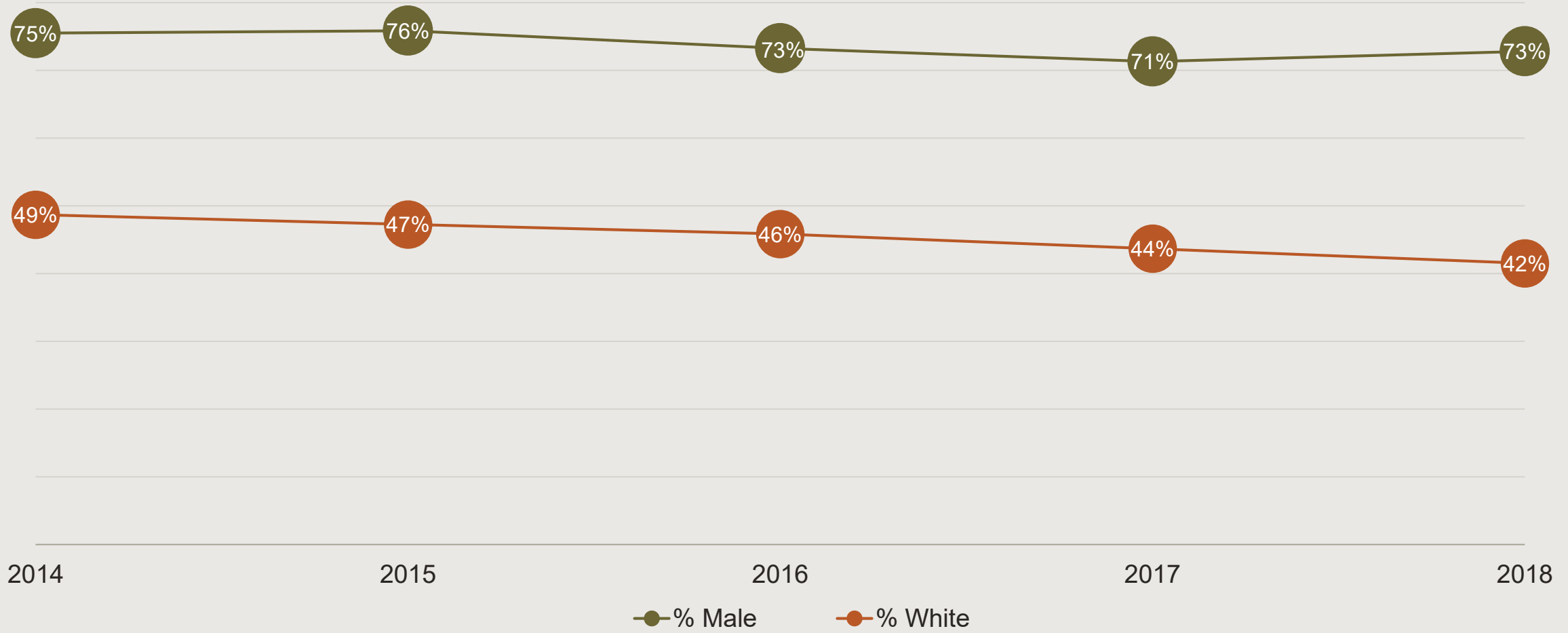
# DIVERSITY IN THE TECHNOLOGY WORKFORCE

*AUSTIN MSA, 2018*



# DEMOGRAPHICS OF IT/CS GRADUATES

2014 – 2018, AUSTIN MSA



Source: National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS)

# FINDINGS: DEMAND-SIDE

- ▶ Prior to the COVID-19 crisis, the **labor market was tight**, and competition was increasing.
- ▶ Employers expressed an interest in expanding the **diversity** of their workforce.
- ▶ Employers in the region show a **preference for middle to senior level talent**.
- ▶ Entry and middle skill jobs are competing with **off-shore hiring and increased levels of automation**.
- ▶ Employers want employees who have strong **soft skills**.
- ▶ Companies are beginning to seek qualifications that are less constrained by traditional benchmarks of success.

# FINDINGS: SUPPLY-SIDE

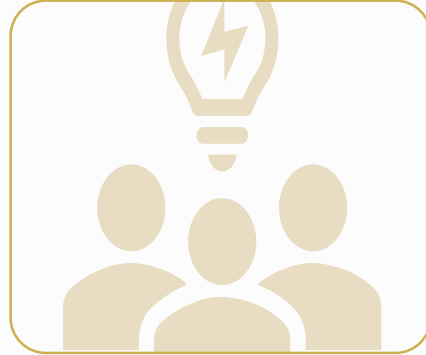
- ▶ Central Texas has a **shortage of computer science and IT graduates**.
- ▶ The K-12 efforts in IT/computer science are increasing and evolving.
- ▶ Technology training is **drawing fewer students** than other industries, such as healthcare.
- ▶ **Mid-career adults** are showing an interest in building their technology skills to transition careers.
- ▶ Low and moderate-income individuals have **distinct barriers** to technology careers and training.

# STRATEGIC RECOMMENDATIONS



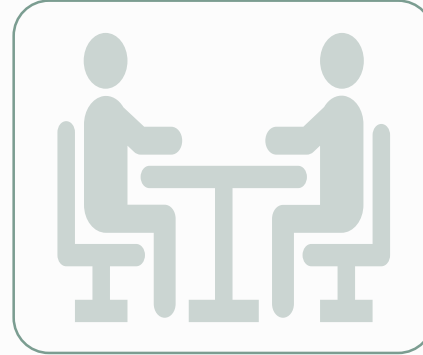
## STRATEGY 1. AWARENESS & ENROLLMENT:

*Cultivate interest  
in high-demand,  
IT careers,  
particularly in  
under-  
represented  
groups*



## STRATEGY 2. TRAINING:

*Equip workers  
with the skills  
they need to  
succeed in IT  
careers*



## STRATEGY 3. PLACEMENT:

*Connect  
employers with  
local talent to fill  
IT jobs*



## STRATEGY 4. UPSKILLING:

*Assist workers in  
acquiring skills  
to advance into  
IT jobs*



# CAPITAL AREA TECH WORKFORCE COALITION



1. Define common workforce-related **pain points**.
2. Document and communicate **critical and emerging workforce needs**.
3. **Adopt strategies** to address these needs and pain points.
4. Work actively and collaboratively with the network of partners\* to **implement** the strategies.



**amplify the impact** of business-led STEM, diversity, and talent initiatives by pooling resources and reducing the fragmentation of the tech-related workforce landscape\*.

\* Includes workforce organizations, education and training providers, community-based organizations, philanthropy, economic development organizations, business associations, and other stakeholders who are working to develop the tech talent pipeline.