The State of UK Tech Hiring Report





Introduction

Right now, the tech recruitment market is fiercer than ever, with many companies fighting for a limited pool of candidates. Candidates who are actively looking for new roles are being swept up quickly while passive tech candidates are being approached about new roles like never before.

A lot has changed over the past few years and recruitment is one of them. Whether it's the way we work, candidate's priorities or digital innovations, talent acquisition professionals must adapt if they wish to grow their business successfully. At Talent Works it our mission to help tech businesses of all sizes scale. So, we're here to help.

We've compiled this report which will cover:

- Tech Industry Insights
- Leader's Experience
- The State of Startup Hiring
- Emerging Tech Talent
- Tech Candidate Expectations





Industry Insights

Over the last decade the UK tech sector has seen record levels of growth. It's one industry that continued to boom despite a global pandemic and it shows no signs of slowing down. Even non-traditional tech businesses are starting to adopt more sophisticated technologies and embrace digitisation. This means competition for talent is hot!

For a startup to succeed, no matter where you're located, you need to have the people behind it, which is difficult in such a competitive talent market.

Currently: 10% of all UK roles are in tech

Most popular tech roles in the UK are:

- Software Engineer
- Solutions Architect
- Product Manager
- Project Manager
- Customer Success Manager
- Dev Ops Engineers



Industry Insights

In this section, we're going to look at some of the UK's leading tech hubs to give you a better insight into the talent market within each.

We've chosen the following cities because they have been named repeatedly as the UK tech hubs at the forefront of cutting-edge technology and investment, meaning they're the centre of the UK's startup and scaleup ecosystem.

- London
- Manchester
- Birmingham
- Glasgow
- Bristol
- Cambridge



London

London still has more tech professionals than anywhere in the UK. It currently has over 20,000 tech vacancies.

London's top job titles in tech are Directors, Owners and Founders, showing its startup and scaleup ecosystem is booming. According to the think-tank Centre for Entrepreneurs, more than 5 new tech startups launched every hour in 2019. So, it's no surprise that startup businesses succeed in the capital.

UCL, University of Westminster, Imperial College London and King's College London produced 2,383 grads (who now work in tech) between 2019 and 2021. So there is a huge pool of talent waiting to be tapped into.

Top companies for this talent pool.				
Companies	Professionals	1y growth	Job posts	
Amazon	8,346	38%	1,116	
Accenture	5,841	3%	473	
IBM	4,728	1%	191	
Google	4,035	5%	153	
Facebook	3,456	25%	255	

Top skills	Professionals	Top Roles	Professionals
Cloud Computing	51,611	Director	13,935
Software Development	50,665	Software Engineer	11,530
SQL	48,604	Founder	9,462
Business Analysis	47,762	Owner	7,506
Finance	41,623	Co-Founder	7,354

Manchester

Manchester boasts the UK's fourth largest total digital turnover and is the UK's second tech hotspot.

The key players in Manchester are focused on IoT, security, data analytics and generally IT services, but there are also three \$1 billion unicorns based in the Manchester region.

Manchester has over 50, 000 professionals currently working in tech.

Manchester University and Manchester Metropolitan University produced 1,695 grads (who now work in tech) between 2019 and 2021. Meaning it has a great tech talent pool.

But competition is high...For example there are currently 59 JavaScript Developers working in Manchester but 62 vacancies for the same role.

Top employers for tech talent in Manchester				
Companies	Professionals	1y growth	Job posts	
THG	857	32%	104	
Amazon	839	39%	55	
Booking.com	581	27%	40	
Auto Trader UK	315	8%	27	
NCC Group	296	7%	3	

Top skills	Professionals	Top roles	Professionals
Software Development	3,808	Software Engineer	1,024
SQL	3,515	Director	786
Cloud Computing	3,111	Owner	500
JavaScript	2,734	Managing Director	476
Recruiting	2,379	Account Manager	425





Birmingham

Birmingham, often referred to as the UK's second city is undoubtedly a tech hub. An average of over 500 tech start-ups are founded annually in Birmingham. Healthtech and fintech businesses are among the most successful in the region.

As the second highest populated city in the UK is has a huge pool of talent waiting to be utilised.

It also has 3 great tech universities producing a ready to hire talent pool each year. Birmingham City University, University of Birmingham and Aston University produced 415 grads (who now work in tech) between 2019 and 2021.

Top companies for this talent pool.					
Companies	Professionals	1y growth	Job posts		
Amazon	700	63%	9		
SCC	395	4%	11		
Capgemini	334	10%	17		
Serco	300	13%	15		
Capita	260	5%	10		

Top skills	Professionals
Software Development	2,204
SQL	2,194
Cloud Computing	1,794
Technical Support	1,771
Business Analysis	1,759

Top roles	Professionals
Director	661
Software Engineer	598
Owner	478
Managing Director	339
Project Manager	297





Glasgow

Glasgow is one of the UK's top three fastest growing technology investment hubs, making it a great place for startups to begin their journey.

Fintech, data science and software engineering are some of the most in-demand skills in Glasgow.

Businesses which see the most success specialise in software, fintech and data science among other areas of tech.

It also has a thriving talent pool. University of Glasgow, University of Strathclyde and Glasgow Caledonian University produced 380 tech grads between 2019 and 2021.

Top companies for this talent pool.					
Companies	Professionals	1y growth	Job posts		
Dell Technologies	267	4%	7		
Capita	240	13%	11		
Thales	214	3%	6		
Amazon	210	30%	2		
IBM	182	5%	1		

Top skills	Professionals	Top Roles	Professionals
Software Development	2,089	Software Engineer	505
SQL	1,975	Director	457
Java	1,471	Owner	327
Cloud Computing	1,466	Managing Director	221
JavaScript	1,412	Project Manager	212





In 2019 alone, Bristol tech companies raised \$305million. This was the third most investment in the UK that year, making it an unsuspecting competitor to Manchester and London but cementing its place in the startup ecosystem.

Bristol is considered a pioneer in the development of robotics and autonomous vehicles; meaning software development and engineering skills are in high demand.

Bristol has a great talent pool waiting to be tapped into. The University of Bristol and University of West of England produced 290 grads who now work in tech industry between 2019 and 2021.

Top companies for this talent pool.				
Companies	Professionals	1y growth	Job posts	
Amazon	312	51%	24	
Hewlett Packard Enterprise	170	1%	22	
Just Eat Takeaway.com	152	22%	14	
Capita	150	3%	6	
IBM	115	3%	1	

Top skills	Professionals	Top Roles	Professionals
Software Development	2,528	Software Engineer	676
SQL	1,979	Director	550
JavaScript	1,744	Owner	309
Cloud Computing	1,561	Founder	244
Web Development	1,430	Managing Director	235



Cambridge

Cambridge is currently unparalleled in the life science sector, due to its strong financial backing and university. The university also has a reputation for producing AI and machine learning start-ups, influencing the skills which are in demand here.

Unsurprisingly as a university town it has a great talent pool waiting to be tapped into. The University of Cambridge and Angela Ruskin University produced 213 grads who now work in tech industry between 2019 and 2021, including startup founders.

The city also has a great range of support networks for startups and a network of entrepreneurs due to it's educational reputation and the talent within the city.

Top companies for this talent pool.					
Companies	Professionals	1y growth	Job posts		
Amazon	308	7%	104		
European Bioinformatics Institute EMBL-EBI	217	1%	0		
AVEVA	208	11%	9		
Microsoft	198	5%	65		
MathWorks	165	5%	16		

Top skills	Professionals
Software Development	2,700
Python	1,733
SQL	1,643
Java	1,459
Linux	1,448

Top Roles	Professionals
Software Engineer	716
Director	324
Senior Software Engineer	267
Founder	221
Owner	179

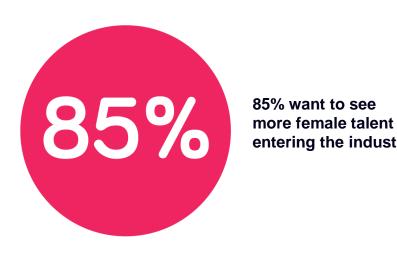


Today's Leaders

The success of a scaling business begins with it's leadership. To hire and motivate a team of individuals.

We surveyed 200 tech leaders across the UK to gain a better understanding of their hiring challenges and experiences.

UK tech leaders are more likely to look for attitude over education or experience when hiring.





entering the industry.

62% receive applications that are missing the necessary communication and soft skills.



52% UK tech leaders believe that talent has improved in the past five years.



Less than a quarter of UK tech leaders find it easy to find quality tech candidates.



State of Startup Hiring

So far this year, UK startups have raised a record €17.2bn from VC funds, more than the €14bn in all of 2020.

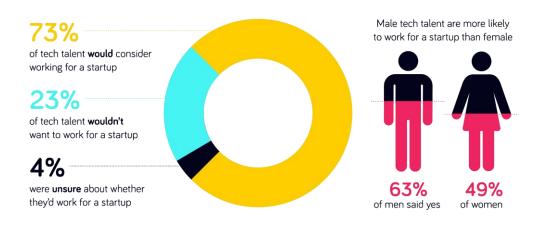
The yearly GOV.uk statistics show that between 500,000 – 700,000 new startup businesses are launched in the UK every year.

So, it's safe to say the startup ecosystem is booming.

Startups are exciting places to work; their informal culture and rapid speed of growth provides a great opportunity for talent to learn, develop skills and make a real impact in a business. It's a chance for them to feel like a crucial part of a business rather than just another cog in the wheel.

Lean more about tech talent's attitudes to working at a startup:

Would tech talent work at a startup?



Here are some of the reasons they gave:

Yes I would as it would allow me to work with latest tech developments and be excited if the company goes global



Yes as it would be good to see the full experience of a job from inception

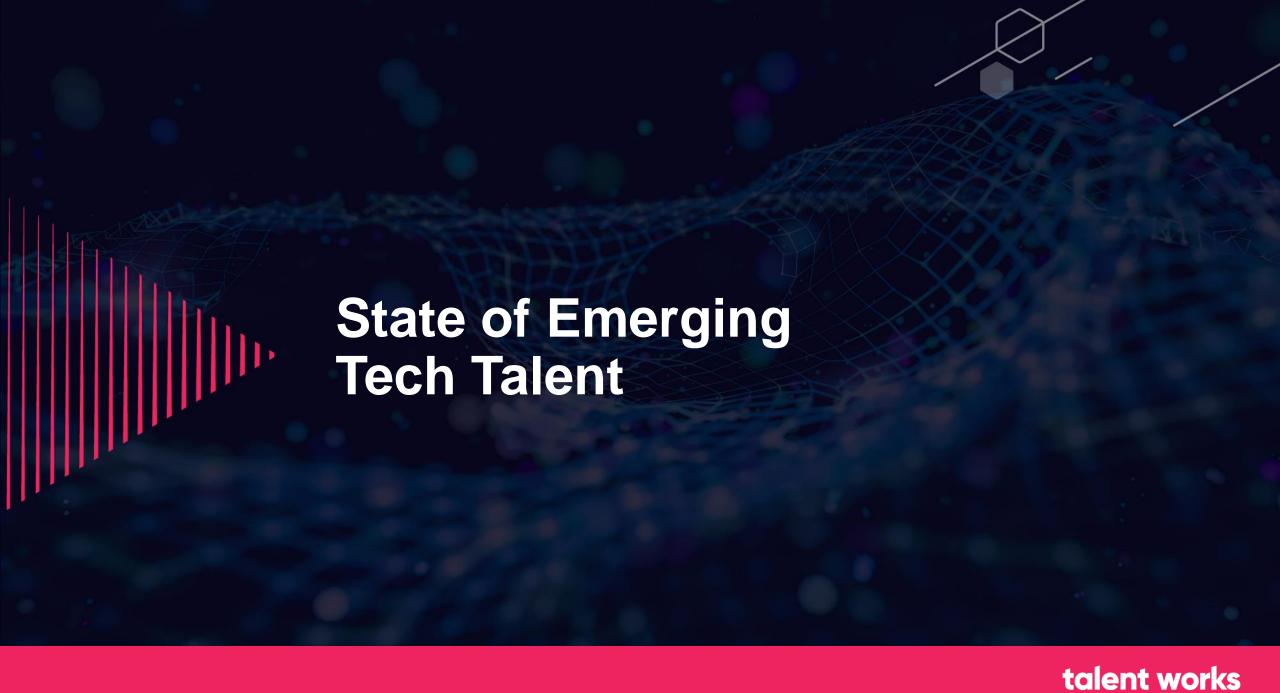


Absolutely, you get to be start of something potentially big and have far more involvement



I already am! start ups have a good atmosphere, and usually have some innovative product





State of Emerging Tech Talent

With competition for leading tech talent high, the future of the industry depends largely on engaging young people and encouraging more to take up a career in tech. We surveyed young people and people within the early stages of their career to find out about their attitudes to working in tech, as well as looking at the experiences of now successful tech leaders.

75% of 16 - 17 year olds know what they want to do for a career. Yet only 38% are considering a career in tech.

61.5% of tech leaders would say their tech education was either good or very good.

UK Tech leaders and young UK tech professionals both say they were encouraged by their parents and teacher to pursue a career in tech.



Candidate expectations

In the last year, expectations of candidates have shifted. Where once we all thought the 9-5 office life was normal, we've proven otherwise, and candidates are learning that there are more important aspects to work than simply salary alone. It's easy to assume that technical talent can be wowed with technology, however our research proves that your tech stack alone will not be enough to entice candidates. In a candidate driven market, it's vital that scaling businesses pull out all of the stops to draw in new candidates, as they have so many options.

As developers become more multi-generational they have priorities beyond just the technology. For example the Developers of 20 years ago are now prioritising flexibility and work-life balance.

52% of developers we surveyed would prefer a hybrid working model in the future.

Over the past year developers and other tech talent have proven that they can work from anywhere with an internet connection. Working remotely gives them more freedoms and a better work-life balance.

Python and JavaScript top the list of technologies that developers aspire to learn. Hire for potential and invest in great training.

8.5% of developers picked their current employer based on learning and development opportunities.

Hiring those who have the right attitude and willingness to learn will put you at an advantage in an increasingly competitive talent market. Skills can be learned, attitude cannot.



Attracting the right Developers

1. Tech driven, sceptics

(frontend developers)

These developers are precious about their own time, prioritising work-life balance and flexitime above all else. A stuffy corporate culture where employees are expected to be present 9-5 won't cut it for this group – they are looking for flexibility, and tailoring the benefits and positioning to reflect this will be crucial to attracting them.

2. Self-motivated, career-focused

(full stack, generalists, exaggerators)

Group 2 developers use a broader range of languages and are more confident in their ability (particularly in JavaScript and C#) with half rating themselves as experts.

This group of developers is more

This group of developers is more interested in the technology used by a company, attracted to those that are cutting edge. They are more open to new opportunities than Group 1, perhaps because they are interested in being up-to-speed in terms of the tech they have the opportunity to use.

3. Future worriers

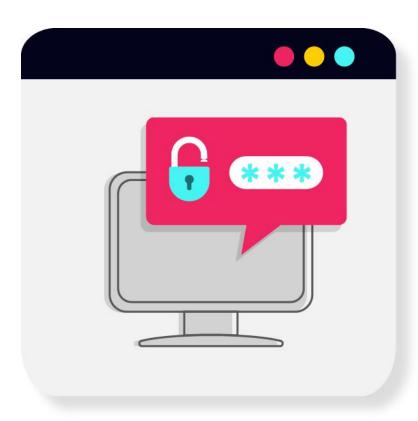
(low-level language/app developers)

Group 3 is more focused on using Java, C++ and C, and are attracted to established tech companies. This group is more focused on obtaining staple benefits than the nice-to-have extras. They're concerned about continuously upskilling and would turn to their employer before funding their own training. This group is the most open to hearing about new opportunities, especially if the offer is increased salary or investment in the individual.

The solution?

By understanding how different developers respond to employer conversations, you can create consistent, end-to-end attraction strategies.

For example, some developers gave a strongly adverse reaction to what they perceived as 'fad' language, while others welcomed the opportunity to hear about new technologies. Some developers were attracted by the idea of travel, while others preferred to stay in one place and build their skills in a single technology environment.



The solution?

The candidate experience you create should be tailored to the type of developer you want to recruit, and it goes way beyond the initial attraction campaign.

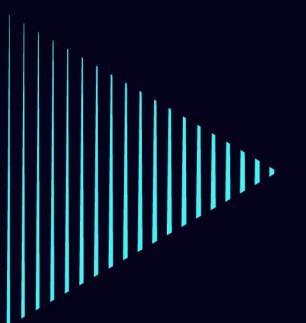
It means thinking about the kind of environment your developers want (they don't all want to play ping pong and table football), the lifestyle they're looking for, and the learning opportunities they'd like in the future.

Finally, you need to think about the best way to communicate these opportunities. It's worth remembering that many of the developers we surveyed told us they preferred to be contacted by email, rather than search for opportunities themselves.









Tip 1: Employer Branding

Why do I want to work for you?

Employer Brand

- Positions you as an employer of choice
- Can be segmented for specific roles, locations only when needed
- Shows your values and mission to relevant clients
- Communicates what makes you a great place to work
- Helps to build a talent pool of relevant candidates
- Tell that consistent story to candidates, employees and the market as to why someone should join and stay



Start with a clear way of talking about values and how they steer your employer brand

Understanding how we simplify the component parts is where we will begin. We don't start with how your brand looks, we start with the What, Why and How. The meaning that drives your work.

What do we aim to achieve together?

Values allow an organization to clearly define a sense of purpose for all employees to align to and embrace.

Why do we do it?

Your value proposition articulates why talented people who share your values and are engaged by your mission make the decision to join and stay.

How will we do it?

Your value proposition articulates why talented people who share your values and are engaged by your mission make the decision to join and stay.

The **company mission** has to be clearly articulated to provide the purpose



All the reasons why the best talent wants to adopt your values and get behind your mission

A.K.A your employer value proposition



Shared values & behaviors act as the foundation to your employer brand

Developing an Employer Value Proposition (EVP)

How to validate who you are as an employer... even in a market you haven't been in yet

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What you should be saying to attract candidates and remind current employees why they should stay

EXTERNAL PERCEPTION

How you are perceived among potential candidates – positive perceptions to leverage and any internal positives not known externally that need dialling up

PODS

What makes YOU different from talent competitors – selling points that should take centre-stage in the proposition

TALENT COMPETITORS

Where are competitors and how are they selling themselves as employers – competitors' shortfalls give you the advantage to promote YOUR strengths

CANDIDATE MOTIVATORS

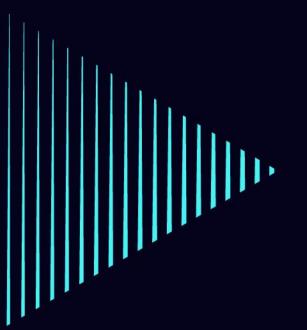
Where internal positives correspond to candidate motivators – messages to up-weight to match target audience

UNIQUE SELLING PROPOSITION

Opportunities to help the USP connect with candidates and facilitate internal engagement with the USP, through social media and other communication tools







Tip 2: Digital Attraction

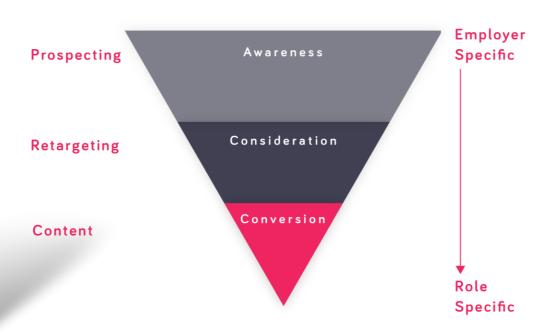
Drive your message to the right talent in the right place.

Be location specific – let's not waste budget.

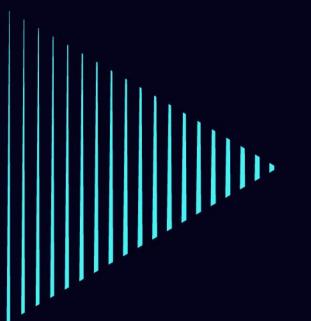
Digital Attraction

- Target passive candidates with specific skillsets, experience and interests
- Lower cost to hire
- Drives high volumes of applications
- Increases employer brand awareness
- Replaces large job posting contracts
- ROI







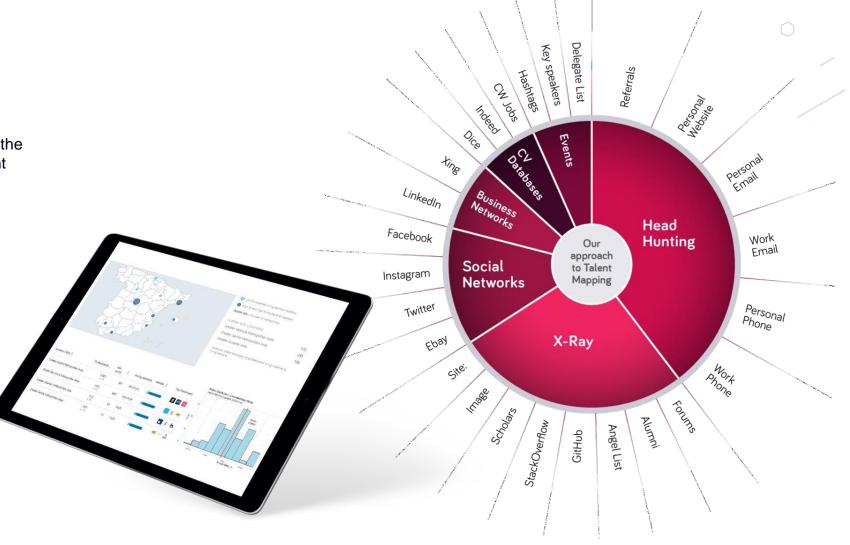


Tip 3: Talent Mapping

You have your message and role spec, where do you find the talent?

Talent Mapping

Our teams are experts in researching the talent landscape, identifying new talent communities and mapping talent in competitor organizations, using a combination of traditional search, Boolean and X-ray methodologies.





Talent Mapping

Tech hiring research

In Sweden, almost one in three intermediate frontend developers is female, making it a strong target for improving the gender balance of hires.

- There is significant potential to enhance the gender balance of engineering and data hires
- Sweden is a particularly strong source of female talent across a number of roles
- Germany and the UK are the next most promising locations for female hires

		Promising Locations for female talent >20% female
Dackend Davidener	Mid	Sweden (24%)
Backend Developer	Senior	
Frontend Developer	Mid	UK (22%) Sweden (32%) Germany (26%)
	Senior	Sweden (26%)
Mahila Davidanar	Mid	Sweden (23%)
Mobile Developer	Senior	
Donadoration Francisco	Mid	Sweden (26%)
Production Engineer	Senior	Sweden (24%)
Carreitu anainaan	Mid	
Security engineer	Senior	
	Mid	UK (30%) Ireland (25%) Sweden (27%)
Data scientist	Senior	UK (28%) Ireland (26%) Sweden (23%) Germany (24%)
Data platform anginear	Mid	Germany (23%)
Data platform engineer	Senior	

Talent Mapping

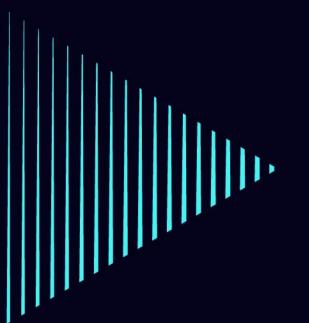
Tech hiring research

Supply of senior engineering & development talent significantly outstrips advertised vacancies, most notably in London.

- All three countries have a strong supply of senior talent compared with demand
- London, Stockholm, Berlin are the most promising for senior talent
- But the supply of intermediate talent compared with vacancies drops significantly, with deficits in Germany

		UK	Sweden	Germany
		Top Locations by Talent Surplus	Top Locations by Talent Surplus	Top Locations by Talent Surplus
Backend Developer	Mid	Glasgow +181 Edinburgh -33 Leeds -34	Gothenburg +165 Malmo +142 Uppsala +79	Stuttgart -688 Berlin -816 Hamburg -977
backend Developer	Senior	London +18,756 Manchester +2,517 Edinburgh +1,738	Stockholm +7,055 Gothenburgh+2,693 Malmo +2,109	Berlin +8,427 Munich +3,919 Hamburg +1,884
5 1 10 1	Mid	Glasgow +198 Edinburgh +14	Gothenburg +213 Stockholm +165 Malmo +162	Berlin -421 Stuttgart -531 Hamburg -743
Frontend Developer	Senior	London +18,050 Manchester +2,451 Edinburgh +1,743	Stockholm +6,708 Gothenburg +2,642 Malmo +2,073	Berlin +8,160 Munich +4,162 Hamburg +1,734
	Mid	London +284 Glasgow +234 Manchester +97	Gothenburg +230 Malmo +193 Stockholm +164	Berlin -182 Stuttgart -521 Hamburg -690
Mobile Developer	Senior	London +18,584 Manchester +2,681 Edinburgh +1,792	Stockholm +6,473 Gothenburg +2,691 Malmo +2,038	Berlin +8,299 Munich +4,312 Frankfurt +1,822
Production Engineer	Mid	London +357 Manchester +138 Glasgow +106	Stockholm +232 Gothenburg +189 Malmo +77	Stuttgart +1 Munich -29 Hamburg -37
Production Engineer	Senior	London +3,074 Aberdeen +1,482 Manchester +1,200	Gothenburg +1,459 Stockholm +1,373 Malmo +520	Berlin +1,200 Munich +916 Frankfurt +873
Consider Engineer	Mid	London +874 Glasgow +292 Manchester +246	Stockholm +310 Gothenburg +283 Malmo +164	Berlin +97 Stuttgart -402 Hamburg -419
Security Engineer	Senior	London +18,363 Manchester +2,685 Edinburgh +1,850	Stockholm +6,526 Gothenburg +2,985 Malmo +1,978	Berlin +7,618 Munich +5,134 Frankfurt +2,474





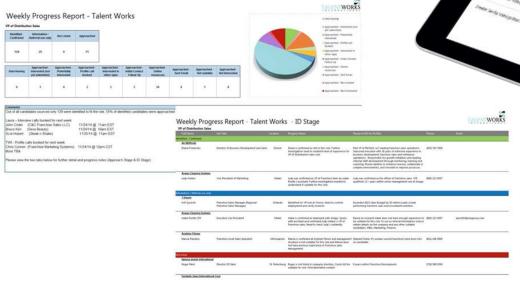
Tip 4: Direct Sourcing

Those first roles are critical – hand pick talent affordably.

Direct Sourcing

Delivers talent mapping through direct sourcing activities outside of our digital media strategy. Allows us to further build on developing and accessing the passive talent market through traditional sourcing for current and future hiring demand.

Accounting for over 40% of successful Tech hires in 2020.



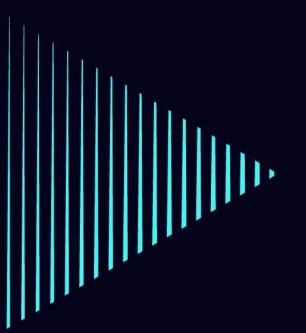


Direct Sourcing

- Benefit from expertise of experienced recruiters, their networks and their knowledge
- The time it takes to find, recruit and train an inhouse recruiter is 2-3 months you need roles filled sooner
- Reach out to candidates directly
- Stand out in a highly competitive market
- Relieve pressure from existing HR teams
- May be 1 role or clusters of roles (Sales, IT hiring etc.) to help scale quickly







Tip 5 – Flexible RPO - Outsource Recruitment

A full TA team that flexes with you.

RPO

- Recruiters act as an extension of your HR function
- Flexible services, can be scaled up or down to your needs
- Benefit from direct sourcing, employer branding and digital attraction
- Reduces time to hire and relieves HR teams
- Flexible subscription based RPO means less-risk and commitment





What should we prepare?

- Avoid grey areas around remote working, have a strategy prepared so candidates know what to expect
- Have a strong employer brand that helps you stand out to candidates in ways beyond salary and office
- Map talent to learn where talent is located and how to reach them
- Create a plan for the roles and skills you're likely to need in the next 6 – 12 months so that you can plan a talent attraction strategy which incorporates digital attraction and direct sourcing
- Consider finding a recruitment process outsourcing provider to support your growth plans

Learnings

- The state of tech recruitment has changed with remote working and advancements in technology reshaping the landscape to offer businesses wider pools of talent and professional experience that was previously unseen.
- Leaders have adapted to seek attitude/ experience over experience/ attitude with new hires however, the expectation from candidates has also changed. Flexibility, access to the correct tools, and earning potential are now key factors for those looking to find a new role.
- Encouraging and nurturing talent needs to start at an earlier age, with many tech leaders admitting that their role models came from university, but if schools were to take an interest in guiding students towards STEM subjects, an increase in talent might be noticed.

Thank you for reading



