

Tech Employment Snapshot: Q1 2016

The technology industry's unemployment rate dipped slightly in the first quarter of 2016, hitting 2.4 percent—a small but noticeable decline from the fourth quarter of 2015, when it stood at 2.9 percent, according to the U.S. Bureau of Labor Statistics (BLS). The industry continues to perform better than the overall U.S. labor market, where the unemployment rate stood at 4.9 percent in the first quarter.

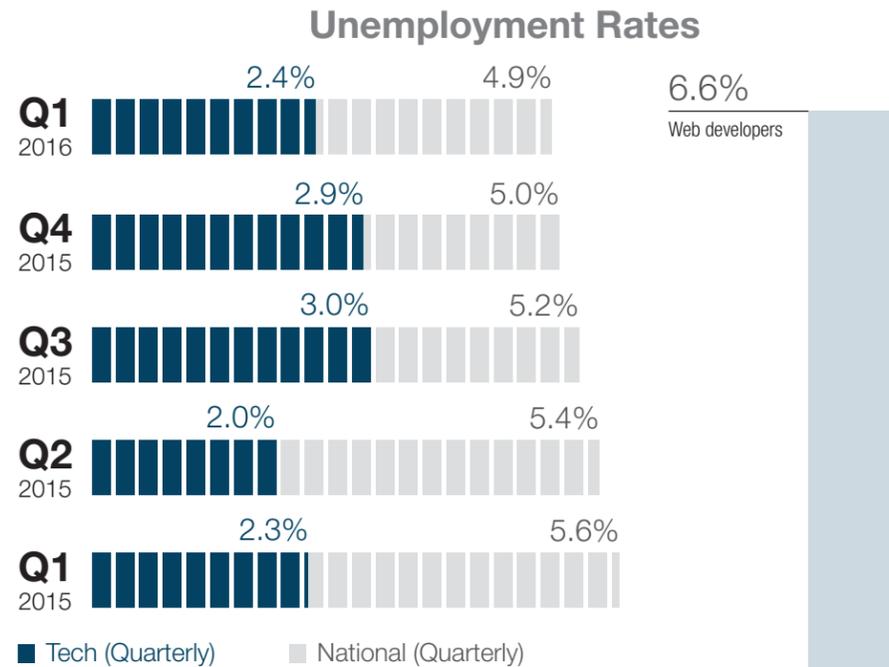
Although tech unemployment stayed roughly level, certain segments monitored by the BLS saw an increase in unemployment. For example, the unemployment rate for Web developers climbed from 4.4 percent in the fourth quarter of 2015 to 6.6 percent in the first quarter of 2016. Computer systems analysts also experienced a slight rise in unemployment during that period, from 1.8 percent to 2.1 percent.

“Although data from the past few quarters suggests a decline in venture funding, tech firms large and small are clearly still in a hiring mood. Demand remains strong for programmers and other vital technology professionals, but it's worth keeping an eye on startups, which may end up hiring at a slower rate if the funding pipeline tightens over the course of 2016.”

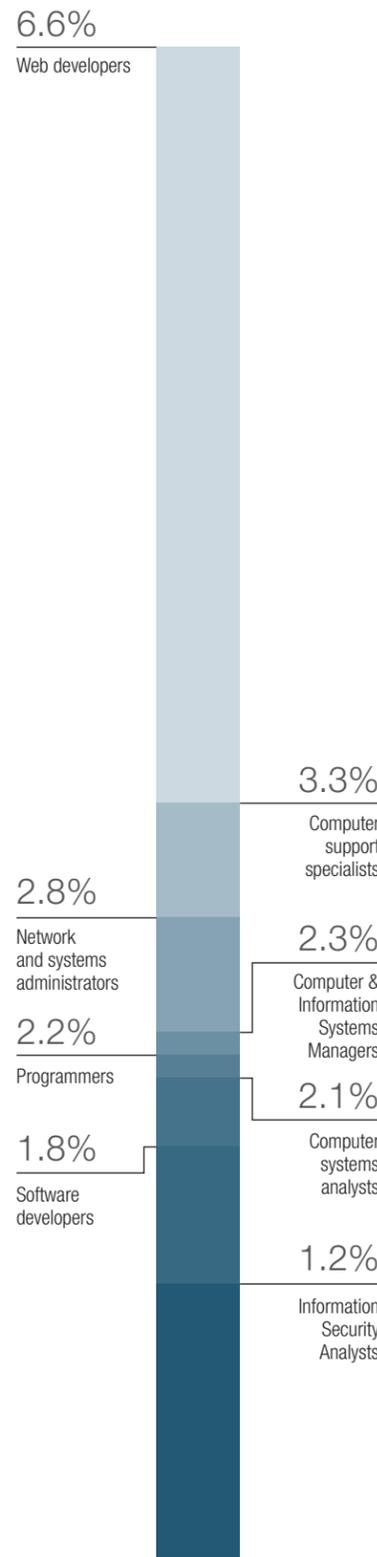
— Bob Melk, President of Dice

Computer & information systems managers, software developers, and information security analysts also enjoyed slight decreases in unemployment.

Computer and electronic products manufacturing lost 600 jobs in the first quarter, better than the fourth quarter of 2015, when the segment bled 6,300 positions. Manufacturing continues to struggle as demand for PCs and other hardware slackens, and many companies move their factory operations offshore.



Source: Bureau of Labor Statistics; overall unemployment rate is seasonally adjusted – Technology (computer and math) is not seasonally adjusted.

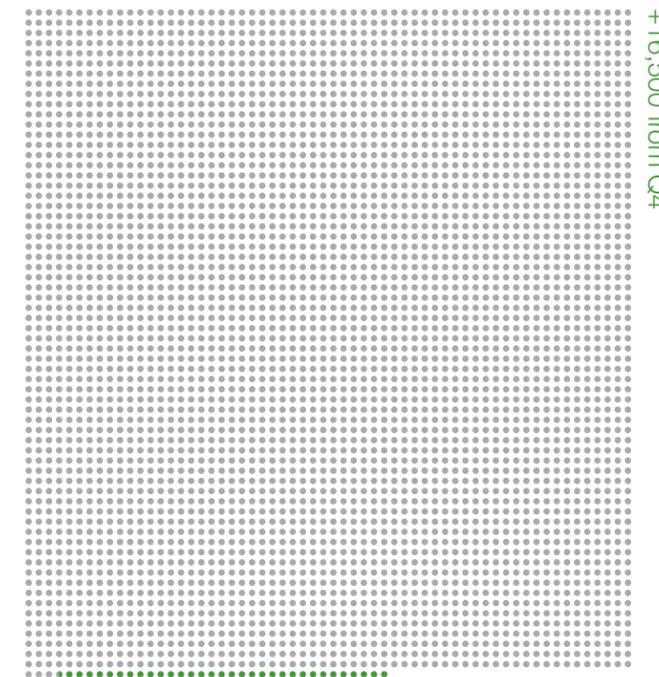


Source: Unemployment rates, Q1 2016, Bureau of Labor Statistics, Household Survey

Jobs Created/Lost in Q1 2016

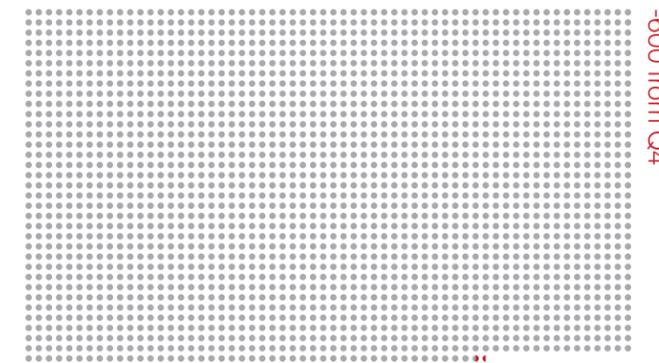
Computer systems design

Professional and Business Services: 1,967,300 employed*



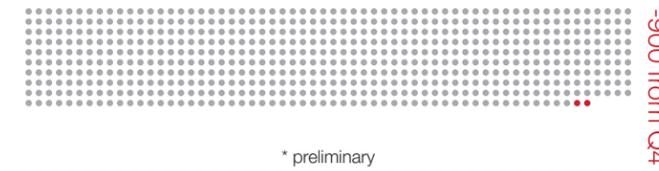
Computer and electronic products

Manufacturing: 1,041,700 employed*



Data processing and hosting

Information: 298,000 employed*



* preliminary
 • = 500 people • = gained • = lost

Source: Change in number of employed positions from Q4 2015 to Q1 2016 according to the Bureau of Labor Statistics' Establishment Survey

Monthly Average of Quits

(Professional and Business Services)



Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, Professional and Business Services, average preliminary Voluntary Quits, January and February 2016.

BLS data suggests that the average rate of voluntary quits in the first two months of the quarter stood at 558,000, a notable increase from the fourth quarter of last year, when that rate stood at 505,500 per month. That higher rate suggests that technology professionals continue to feel confident enough about the health of the economy to search out new positions that offer better salaries and perks.

Preliminary BLS data also suggests that the total average layoffs and discharges for January and February, the latest months for which numbers are available, were 502,000 and 357,000, respectively. That's roughly in-line with data from the same period in 2015, in which layoffs and discharges for January and February stood at, respectively, 462,000 and 370,000.