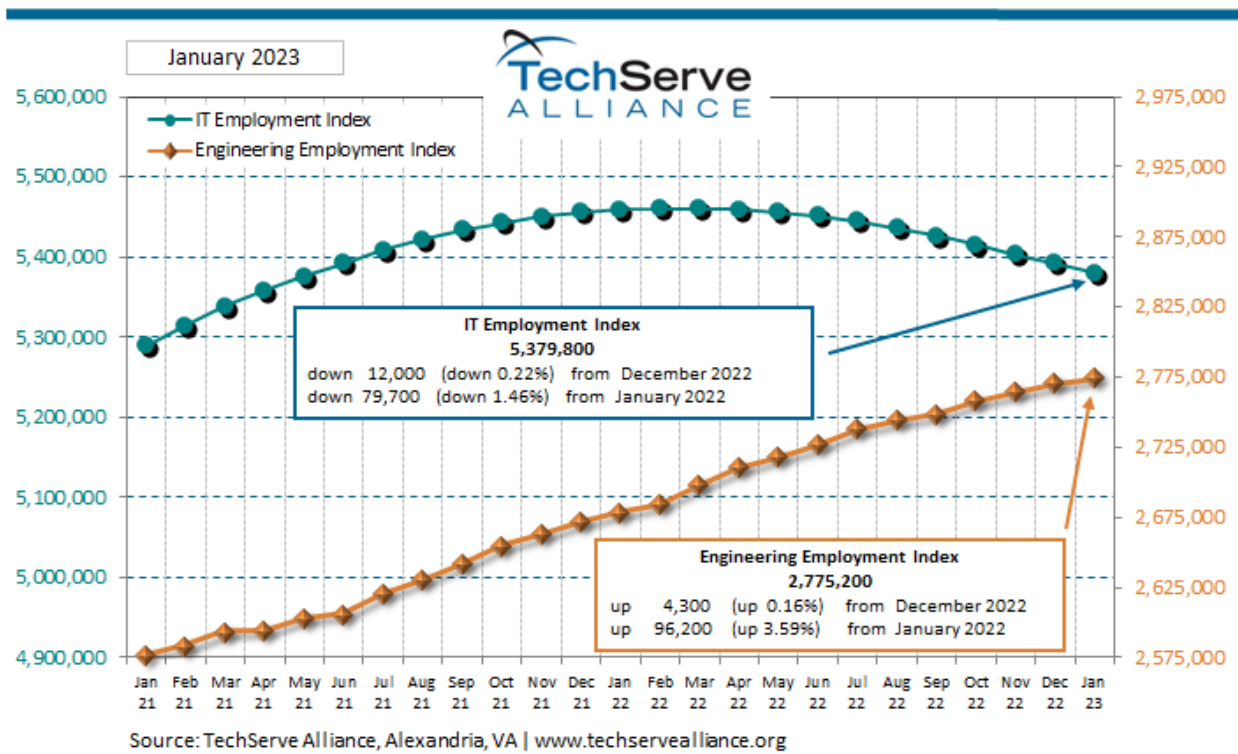


Dueling Market Forces: IT Employment Declines in January Amid Perennially Tight Labor Supply

Alexandria, VA, Feb 8, 2023 – In January, IT employment declined 0.22% month-over-month despite an unemployment rate in IT of only 2.1% in Q4, according to TechServe Alliance, the national trade association of the Technology Staffing and Solutions Industry. On a year-over-year basis, IT employment was down 1.46% from December 2021, a net of 79,700 jobs. The Engineering sector showed a year-over-year job growth rate of 3.59% with the addition of 96,200 jobs during the year and with an unemployment rate of 2.2% in Q4.



“While we all like to distill data to a simple narrative, reality is often more complicated,” said Mark Roberts, CEO of TechServe Alliance. “As a national data point, we see a modest decline in overall IT employment when unemployment in IT occupations remains at historically low levels (2.1% as of Q4) with hundreds of thousands open IT positions. While the decline is clearly a

reflection of the labor market churn that includes tech layoffs and a greater reluctance to add to direct headcount in some areas of the country and in some sectors, there remains a shortage of talent in many IT skill sets and strong demand persists in other parts of the economy.”

“The IT employment landscape is not monolithic. While we see a pullback among tech giants due to over hiring during the last few years, many IT positions go unfilled at other companies. Despite headwinds in some quarters, IT staffing with its inherent flexibility appears poised to continue to grow throughout 2023,” Roberts added.

The following table presents information about the total number of jobs in certain sectors that provide a significant amount of employment for IT and engineering professionals.

Comparisons of TechServe Alliance's IT Employment Index to employment in some key sectors with significant numbers of IT jobs as well as to all non-farm jobs									
January 2023	TechServe Alliance IT Employment Index	Computer systems and design services	Management and technical consulting services	Data processing, hosting and related services	TechServe Alliance Engineering Employment Index	Computer and electronic product manufacturing	Professional and technical services	Federal, State, and Local Government (excluding state and local schools and hospitals)	Total non-farm jobs
number of jobs	5,379,800	2,493,500	1,851,100	485,200	2,775,200	1,100,200	10,754,400	10,963,300	155,073,000
change from previous month	- 0.22%	+0.02%	+ 1.0%	- 0.2%	+ 0.16%	- 0.1%	+ 0.4%	+ 0.2%	+ 0.3%
change from same month, one year earlier	- 1.46%	+ 3.7%	+ 6.8%	+ 9.6%	+ 3.59%	+ 2.7%	+ 4.8%	+ 1.4%	+ 3.3%

Note: all figures are subject to revision
 Sources: Department of Labor/U.S. Bureau of Labor Statistics and TechServe Alliance

Technical note: TechServe Alliance's IT Employment Index and Engineering Employment Index are the first specific measurements of IT and engineering employment. These unique measurements of total IT and engineering employment are created monthly by studying the ongoing staffing patterns of a dozen IT and computer related occupations in 22 industries and industry sectors employing significant numbers of IT workers and nearly two dozen engineering occupations in 30 select industries and industry sectors employing significant numbers of engineering workers. Both the monthly IT Employment and Engineering Employment Indices are based on U.S. Bureau of Labor Statistics (BLS) data, which is subject to monthly revisions. The indices are also subject to annual revisions and rebenchmarking and may incorporate new occupational definitions. The most recent rebenchmarking took place with the dataset utilized in this February 2023 release.

About TechServe Alliance

TechServe Alliance is the national trade association of the IT & Engineering staffing and solutions industry. IT & Engineering staffing and solutions firms count on TechServe Alliance to keep their leadership informed, engaged, and connected. TechServe Alliance serves as the voice of the industry before the policymakers and the national and trade press. By providing access to the knowledge and

best practices of an entire industry and tapping the "collective scale" of its members, TechServe Alliance supports its members in the efficient delivery of best-in-class IT & Engineering staffing and solutions for clients and exceptional professional opportunities for every consultant.