Tech Cities Job Watch

Q1 2015

Experis™
ManpowerGroup
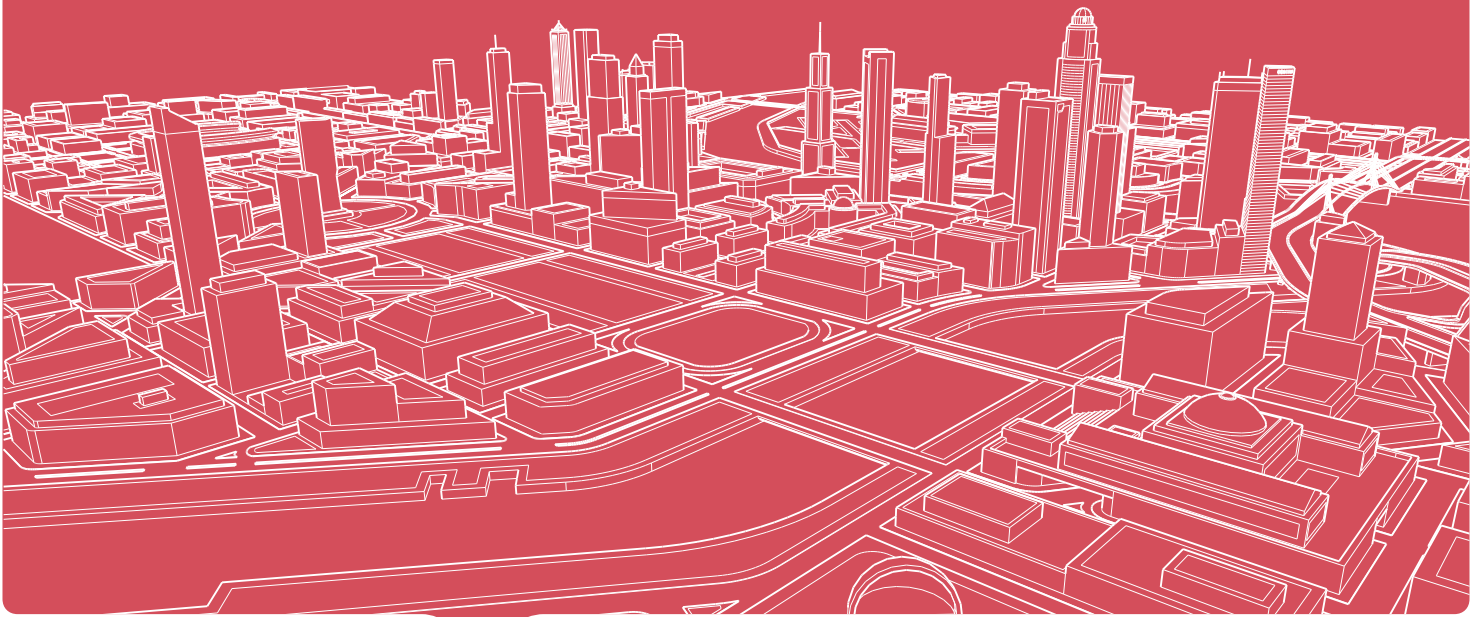
Cloud

Mobile

Security

Big Data

Web Development

About Experis and Tech Cities Job Watch

As technology continues to creep into all aspects of business, companies in cities across the UK vie for top tech talent, in order to build their capability to innovate and cater to demand.

The Experis Tech Cities Job Watch report provides employers with a barometer of these changing trends within the technology sector. By combining the latest market intelligence with Experis insights and expertise, this report indicates where the exciting new job opportunities are across the UK.

A general shortage of skilled IT professionals across the country has resulted in sharp competition in five key technology disciplines, in particular: IT Security, Cloud, Mobile, Big Data and Web Development.

For this report, Experis selected 10 UK cities that are rapidly developing reputations as technology cluster hubs: London, Birmingham, Brighton, Bristol, Cambridge, Edinburgh, Glasgow, Manchester, Newcastle upon Tyne, and Sheffield.

As the largest IT recruitment specialist in Europe, Experis has been at the forefront of the search for the best in IT talent for over 25 years, placing tens of thousands of candidates in IT positions each year.

Experis has the deep industry knowledge required to understand the challenges organisations face, alongside access to highly skilled professionals to help companies seize opportunities.

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We launch the second edition of our report during what is shaping up to be one of the most unpredictable UK general elections in decades. Faced with the prospect of a potential hung parliament, we all wait in anticipation to see who takes power, and how the priorities they bring to the table affect the wider tech agenda.

Investing in technology infrastructure in cities outside of London has been top of the current UK Government's agenda for some time; in turn boosting hiring demand for IT professionals outside of the Capital. But will the outcome of election change this? Only time will tell.

In this report, we reveal that salaries are on the rise across all tech cities – and high salaries outside of the capital becoming more commonplace than previously seen. With the number of permanent roles on the rise, combined with these higher salaries being offered, it's clear that businesses not only want to attract the best IT talent - but they want to keep them.

Manchester, Cambridge, Bristol and Glasgow currently present skilled IT professionals with the largest opportunities outside of London.

However, the London success story is far from over.

With increasing hiring demand, London's tech scene is still booming. Fuelled by investment in new state of the art technology infrastructures, these initiatives have been developed to cement the city's status as the leading IT hub in the UK.

We also illustrate how the demand for Web Development and Mobile skills is continuing as businesses extend their online services to consumers, bringing the two technologies closer together.

We hope that our Tech Cities Job Watch report will provide businesses with a continuing barometer of the trends shaping IT recruitment across the country.

We look forward to tracking these changes, while providing you with a detailed roadmap of the evolution of digital Britain, home to an impressive range of Tech Cities.

If you have any thoughts on the content of the report, or are interested in discussing your own experiences in sourcing IT talent across the UK's Tech Cities, please do feel encouraged to visit our website, or contact us directly.

Geoff Smith
Managing Director, Experis Europe
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Executive **Summary**

The Experis Tech Cities Job Watch (TCJW) report for Q1 2015 shows that the UK technology industry remains buoyant, boosted by employer confidence in the positive economic outlook.

As the Capital city, it's unsurprising to see that London is still the hiring centre of IT jobs in the UK, accounting for three-quarters of all roles advertised.

Our findings also reveal tech cities outside of London match the Capital's growth, with a 9% increase in all types of roles advertised quarter-on-quarter. Combined with a number of senior level positions advertised and increases in permanent salaries, it's a clear signal that the 'tech economy' outside of London is building momentum. Fast.

Tech Cities continue to battle on hiring demand and pay. While Manchester maintains its foothold as the city with the second highest number of IT roles advertised across the five technology disciplines, it faces a challenge by Cambridge and Glasgow on average permanent salaries paid. Bristol fuels this competition, as the city paying higher average contractor day rates.

Hiring trends see an 18% increase in the overall number of permanent roles advertised, compared to the previous quarter. Conversely, the findings reveal a 16% drop in the number of contractor roles advertised in the ten tech cities. Interestingly, this is at odds with the uplift we've seen recently from our contractor numbers in the same period.

IT professionals with Web Development skills continue to be in high demand both in and outside of London, accounting for over a third of all roles advertised. As the evolution of mobile device capabilities continue to link mobile more closely to web based technology, demand for Mobile skills follows suit.

Big Data is becoming a key driver for business growth. This, combined with the shift to the Cloud as alternative data warehousing method, means we are seeing an increase in opportunities being created for IT professionals with these skills.

Furthermore, as the reliance on IT grows, businesses need to protect themselves against cyber threats. While IT Security may still only count for 14% of all roles advertised, it was the tech discipline that grew the fastest in Q1 by 38%. More interestingly, the number of IT Security roles advertised grew twice as fast in tech cities outside of London.

The five technology disciplines chosen for this report are based upon those in highest demand according to Experis' industry experience

This section summarises the key trends in hiring demand across the five key disciplines of technology: Big Data, Cloud, IT Security, Mobile and Web Development. The analysis covers the period of Q4 2014.

Tech City: **Hiring Demand**

Across the five disciplines, London witnessed the greatest rise in hiring demand of any city - with a 9% increase compared to the previous quarter.

Traditional seasonal variances meant demand across all five technology disciplines rose through January, dipping slightly in late February. As expected, hiring demand slowed down further in the final week of March, coinciding with the UK Easter holiday period.

Across the five disciplines, London witnessed the greatest rise in hiring demand of any city - with a 9% increase compared to the previous quarter. Investment in state of the art technology infrastructures, from 'Level 39' in Canary Wharf to the 'Here East' development in London's Olympic Park, means the strong hiring demand in London is set to continue.

Share of hiring demand across five technology disciplines

● Big Data   ● Cloud   ● IT
● Mobile   ● Web Development
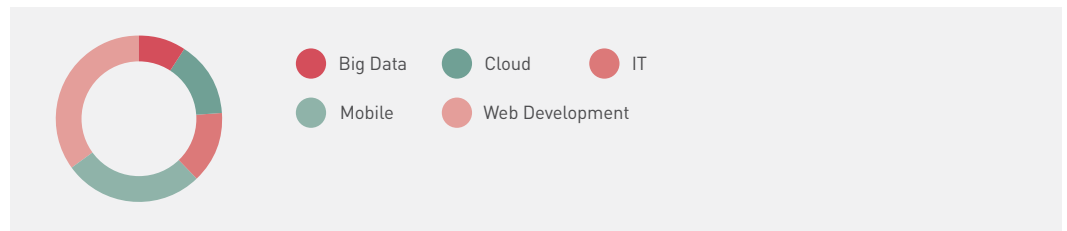
📱 Mobile

As consumers continue to demand immediate, intuitive access to services, businesses are investing in mobile-first applications. High demand for mobile development and user experience skills is therefore inevitable.

In this period, 11,508 Mobile roles were advertised in London, 979 fewer than in the previous quarter. Despite this decrease, London still accounted for two-thirds of all Mobile roles advertised across the country.

Manchester continues to be the second largest hub in the Mobile space, accounting for 8% of all Mobile roles advertised during the period [more than 1,300 roles advertised].

🔑 IT Security

Hiring demand for IT Security professionals accounted for 14% of all roles advertised across the five disciplines. Interestingly, it is the biggest riser, growing twice as fast in cities outside the Capital. The number of roles rose by 2,272 during this period.

As cyber threats become more sophisticated, and as businesses grow their online presence, the need for IT Security increases. As a result, we expect to see long term investment in this area to rise – as evidenced in Glasgow, which saw an extra 168 roles advertised, a 233% increase on the previous quarter.

Tech City: **Hiring Demand**
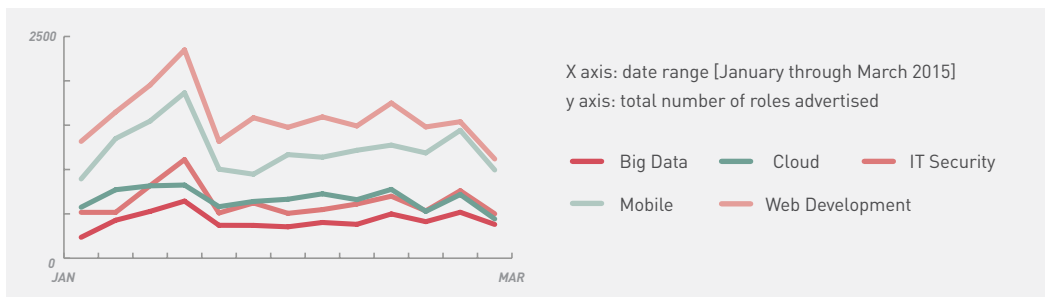
⚙ **Web Development**

To maintain a competitive advantage, companies continue to rely on web applications to automate their business processes, provide efficiencies and drive cost reductions.

Out of the five technology disciplines, it's no surprise that Web Development vacancies continue to account for almost a third [35%] of roles advertised across the five disciplines. With an increase of 2,340 roles during the period, this positive hiring trend is set to remain as companies continue to heavily invest in digital technologies to improve their ecommerce sales capability.

Manchester and Bristol saw a combined 11% increase – resulting in the highest levels of hiring demand outside of London. These two cities accounted for a total 43% [3,232] of all non-Capital based roles advertised.

Elsewhere, Newcastle experienced the lowest demand [less than 2%] of all Web Development roles advertised. This city replaced Brighton at the bottom of the league table who saw a massive increase of 87% in demand [a total of 296 roles advertised].

Total number of roles advertised in Q1 2015

X axis: date range [January through March 2015]
y axis: total number of roles advertised

— Big Data   — Cloud   — IT Security
— Mobile   — Web Development

☁ **Cloud**

Hiring demand trends for this discipline remained largely unchanged, with eight out of ten roles still advertised in the Capital [with an increase of more than 1,200 roles].

A 200% increase was seen in Sheffield, with 70 roles advertised and outranking Brighton, who saw a 35% decrease in demand [to 47 roles].

With Cloud traffic is set to quadruple in the next five years, a raft of new opportunities will be created.

Tech City: **Hiring Demand**

Big Data

Overall hiring demand for Big Data increased by 425 roles during the quarter, taking the total to 5,526. However, this accounts for just 8% of roles across the five tech disciplines. Nonetheless, IT professionals with Big Data skills are highly sought after, leading to higher salaries and day rates being demanded.

While the demand for Big Data roles grew overall, the sizeable 12% growth seen in London was offset by an equally proportionate fall outside of London decreasing by 12%.

Share of London based roles and non-London based roles advertised across the five disciplines of technology in Q1 2015

● London based roles - *42,864*

● Non-London based roles - *16,287*

In Q1 2015, 16,287 roles were advertised in tech cities outside of London. This is a 9% overall increase compared to the previous quarter - a clear indicator that the growth of 'tech economy' outside of the Capital is building momentum.
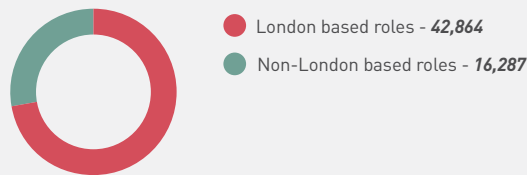
The tech cities outside of London showing strongest hiring demand across the five disciplines of technology were Manchester, Bristol, Cambridge and Glasgow. Birmingham saw demand increase by 3% compared to the previous quarter.

Non-London based Tech City hiring demand showing the volume of jobs across every discipline.

Big Data *Cloud* *IT Security* *Mobile* *Web Dev*

● Birmingham ● Brighton ● Bristol ● Cambridge
● Edinburgh ● Glasgow ● Manchester ● Newcastle upon Tyne ● Sheffield

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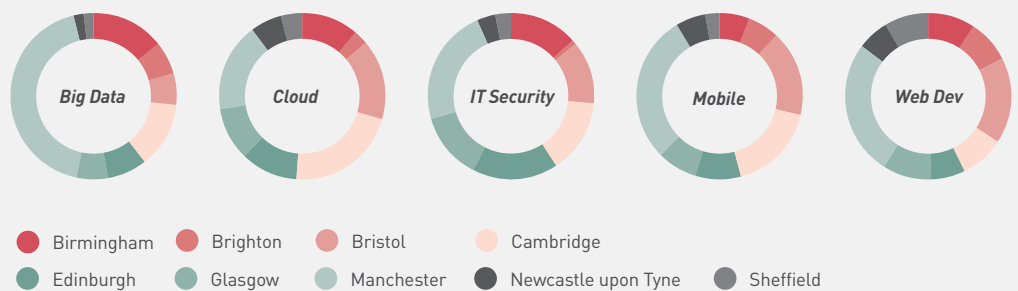
This section reveals where the 'Tech Cities' rank in terms of average salaries for the following five disciplines of technology: Big Data, Cloud, IT Security, Mobile and Web Development. The analysis covers the period of Q4 2014.

Salary Watch

Average permanent salaries

City	Big data	Cloud	IT Security	Mobile	Web Development	City Average
London	£62,853	£55,827	£58,049	£52,959	£45,818	£52,982
Glasgow	£64,517	£43,540	£44,306	£41,176	£35,936	£40,546
Cambridge	£44,544	£50,034	£44,611	£42,008	£35,721	£41,594
Edinburgh	£41,700	£47,793	£52,804	£36,679	£34,820	£40,127
Bristol	£47,514	£45,241	£44,984	£37,241	£32,535	£36,460
Manchester	£40,889	£41,643	£45,711	£41,214	£36,477	£39,136
Sheffield	£35,100	£47,961	£50,743	£35,598	£33,079	£35,292
Birmingham	£34,396	£37,565	£50,211	£32,682	£33,049	£36,212
Brighton	£34,083	£36,934	£44,357	£37,716	£33,769	£35,127
Newcastle upon Tyne	£38,277	£43,514	£33,880	£35,305	£31,318	£33,770
Average	£59,899	£53,712	£55,797	£48,900	£41,598	£48,820

Shading to indicate the top three cities, salary-wise for each discipline   ^ Data Not Available

The average salary paid across the ten tech cities has seen an increase of 3% compared to the previous quarter - buoyed by the predominance of London-based jobs.

Outside of London, Cambridge paid the highest average salary for both Mobile and Cloud-based roles, a quarter-on-quarter increase of £976 and £6,256 respectively.

While the overall city average salary in Cambridge saw only a slight increase of 1%, the city maintained its position as paying the second highest average salaries overall at £41,594. Conversely, Birmingham saw a 9% drop in the overall city average salaries paid during this period, dropping to seventh place on the league table with £36,212.

Glasgow paid the highest average salary for Big Data roles at £64,517. While this equates to an increase of around 42% when compared to the previous quarter, it is the direct result of a number of senior-level Solutions Architect roles advertised in the city inflating the overall average.

Manchester paid the highest average salaries for Web Development roles outside of London [£36,477], equating to an 11% increase.

The average permanent salaries for IT Security professionals saw a 1% increase [to £55,797], with Edinburgh sitting closely behind London offering the second highest salaries.

With annual budgets commonly released in Q1, and growing economic confidence for the coming year, increasing permanent recruitment activity is being seen.

Salary Watch

The average day rates paid across the 10 tech cities has seen a 3% drop compared to the previous quarter. London remains the top city for average contractor day rates, but not across all disciplines.

Average contractor day rates

City	Big data	Cloud	IT Security	Mobile	Web Development	City Average
London	£508	£436	£420	£390	£365	£409
Manchester	£465	£433	£345	£335	£284	£339
Edinburgh	£319	£395	£495	£289	£211	£274
Brighton	^	£500	£413	£328	£255	£289
Bristol	^	£520	£259	£353	£317	£371
Cambridge	^	£494	£343	£271	£259	£324
Birmingham	^	£260	£385	£364	£303	£324
Glasgow	^	£285	£425	£301	£143	£218
Newcastle upon Tyne	^	£371	^	£225	£255	£325
Sheffield	^	^	£315	^	£267	£269
Average	£505	£442	£405	£377	£335	£391

* Shading to indicate the top three cities, salary-wise for each discipline   ^ Data Not Available

The average day rates paid across the 10 tech cities has seen a 3% drop compared to the previous quarter. London remains the top city for average contractor day rates, but not across all disciplines.

Bristol remains in the top three cities for overall average city day rates paid, despite a decrease of 6% compared to last quarter.

While Glasgow paid the third highest average perm salaries, its pays the lowest out of all the tech cities for contractor day rates in this period. Again, this is a direct result of the permanent senior level roles inflating the City average.

Interestingly, when comparing the ranking of permanent salaries to contractor day rates, the position of Cloud and IT Security reverses; with Cloud ranking higher for contractor day rates and IT Security positioned higher for permanent salaries. All other disciplines maintain their rank.

While the average day rates paid for Big Data professionals has increased by 5%, the average day rates for the other disciplines appear lower during this reporting period. In particular, day rates for IT Security professionals dropped by 8%, down to £405 per day.

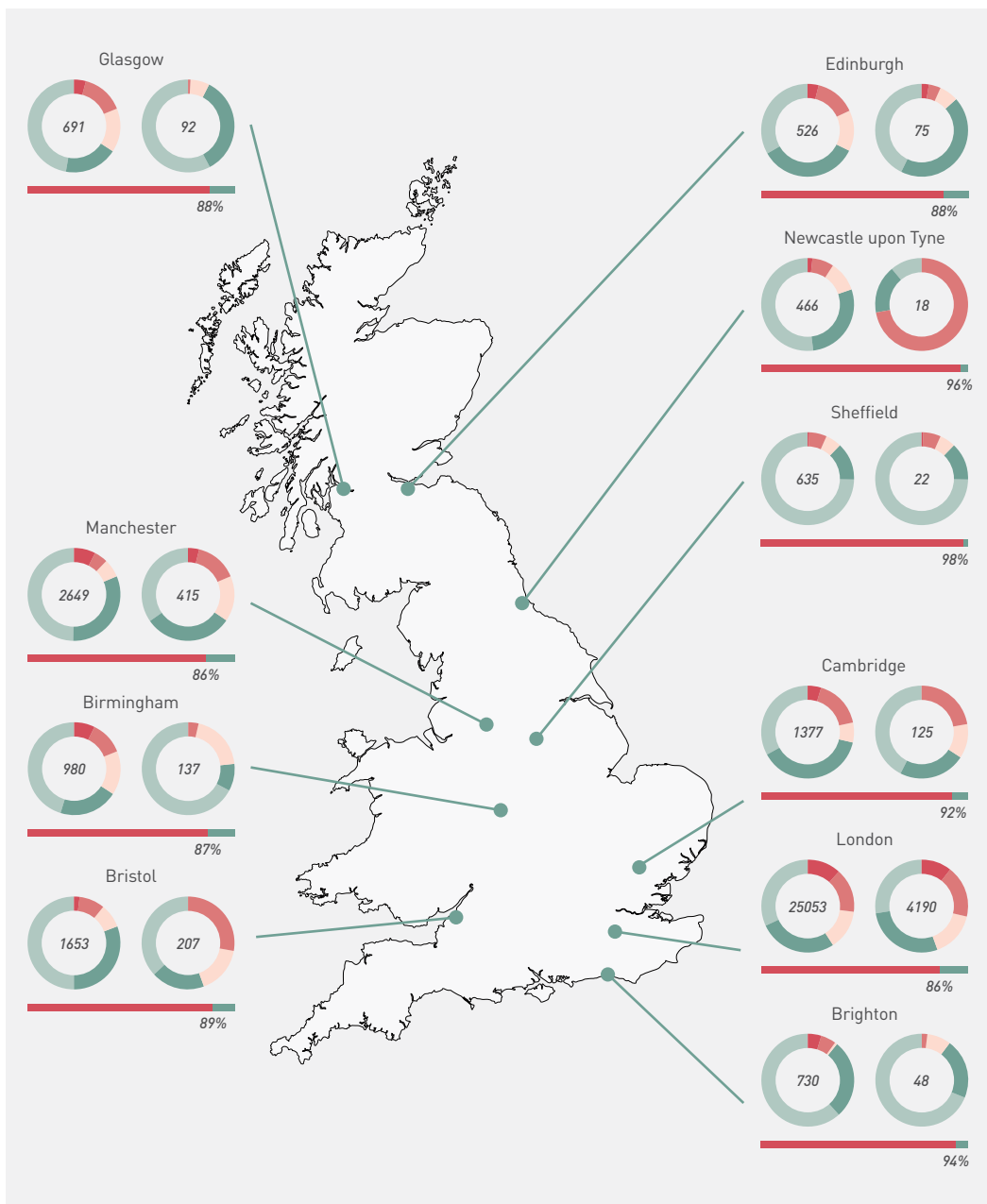*A national comparison of permanent versus contract roles for hiring demand across the five key disciplines of technology: Big Data, Cloud, IT Security, Mobile and Web Development. The analysis covers the period of Q4 2014, in the Tech City hubs of London, Birmingham, Brighton, Bristol, Cambridge, Edinburgh, Glasgow, Manchester, Newcastle upon Tyne, and Sheffield.*

Employer Demand Trends

Employer Demand - Permanent vs Contract roles advertised

Glasgow — 691 / 92 — 88%
Edinburgh — 526 / 75 — 88%
Newcastle upon Tyne — 466 / 18 — 96%
Sheffield — 635 / 22 — 98%
Manchester — 2649 / 415 — 86%
Birmingham — 980 / 137 — 87%
Bristol — 1653 / 207 — 89%
Cambridge — 1377 / 125 — 92%
London — 25053 / 4190 — 86%
Brighton — 730 / 48 — 94%

Legend

● Big Data
● Cloud
● IT Security
● Mobile
● Web Development

Permanent — †
Contract — †

▬ % of permanent roles advertised
▬ % of contract roles advertised
† Number of roles advertised

Employer Demand Trends

> *The overall number of permanent roles advertised across all cities increased by 18%. This is a seasonal trend you would expect to see in Q1, following the traditional decline in opportunities in late December.*

🔒 Perm roles

The overall number of permanent roles advertised across all cities increased by 18%. This is a seasonal trend you would expect to see in Q1, following the traditional decline in opportunities in late December.

Outside of London, Manchester continues to show the strongest hiring demand for permanent roles across all disciplines of technology, with 2,649 roles advertised. This is the case despite a marginal 4% decrease in the number of roles advertised across the period. Comparatively Birmingham, often referred to as 'the second city', saw significantly less demand for roles, with a 7% decrease in the same period.

Bristol follows in second place, with a total of 1,653 roles advertised - an increase of 19% during the period. Cambridge completes the top three, with an 8% increase in perm roles advertised – totalling 1,377 roles.

When comparing permanent hiring demand levels between Scottish neighbours Edinburgh and Glasgow, the former demonstrates 24% less demand for IT professionals, with a 16% drop compared to the previous quarter.

Conversely, permanent hiring demand in Glasgow experienced an increase of 13% roles advertised compared to the previous quarter, equivalent to an additional 78 roles.

🔓 Contract roles

The overall number of contract roles advertised fell by 16%, to 5,329 roles.

Manchester and Bristol maintained their position as the top two cities outside of London for contract roles. The number of permanent roles in Manchester saw a slight decrease, whereas demand for contractors rose by 8% to 415 roles advertised.

Contract hiring demand in Edinburgh and Glasgow saw a significant reduction in this period, with fewer than 100 contractor roles advertised in each city.

This section summarises the top three skills in demand for each discipline of technology for the period of this report.

Skills Crunch

Mobile

In the Retail sector, consumer demand is driving the growth of mobile E-commerce applications. This is causing an increasing requirement for IT professionals with mobile programming languages such as Objective C - used by Apple for OS X and IOS operating systems.

The top three Mobile skills in demand this quarter are:

1 - **Android development**

2 - **iOS development**

3 - **Objective-C**

Web Development

Back-end Development – From E-commerce sites using real-time data for online transactional purposes, to TV broadcasters developing on-demand web streaming services - slick, robust and easy-to-navigate software applications are required, based on powerful back-ends.

Core programming skills in demand include:

1 - **.Net**

2 - **Java**

3 - **C#**

Front-end Development – It's vital that the front-end elements of a website or application that an end-user interacts with are visually impactful. For example, within the banking sector, we're seeing a number of suppliers redesigning their web applications that are used to feed and display financial and trading data to the investment banking and hedge fund communities.

The top three front-end skills in demand this quarter were:

1 - **HTML 5**

2 - **Java Script**

3 - **CSS**

As technological capabilities continual to evolve, so does consumer demand. In turn, it's certain that over time, the skills required by IT professionals will change.

Skills Crunch

> *To effectively manage the risks and costs of cybercrime attacks, it's vital that in-house IT security skills and capabilities are robust.*

🔑 IT Security

Technologies such as ARCSight and SIEM give visibility into security threats, from malware and hackers, to data breaches and compliance issues. Not only does this increase consumer confidence, but it also gives businesses a stronger competitive edge.

The top three IT Security skills in demand were:
1 - **SIEM (Systems Intrusion and Event Management) Technology**
2 - **ARCSight**
3 - **Information Security (including CLAS)**

🗄 Big Data

There is a growing trend for businesses to focus much of their IT investment into building and managing big data, to gain a competitive edge. This is seen in the Retail sector, which relies on Big Data to make smarter predictions around consumer buying trends. Big Data architecture skills, such as MongoDB and FLUME, are used to make the integration of large amounts of data in certain types of applications easier and faster.

The top three technical Big Data skills in demand for this quarter were:
1 - **Hadoop**
2 - **MongoDB**
3 - **FLUME**

☁ Cloud

Businesses are continuing to migrate their data centre technology to the Cloud and "aaS" (as a service) operating models, ultimately creating cost and time efficiencies. The evolution of Hybrid (Public/Private) Cloud technologies, such as Azure and AWS, has recently accelerated. This, along with a continued business trend to embrace the Cloud, will see a constant need for UK companies to hire Cloud skills, in order to design, build and support their Cloud infrastructure.

In this quarter, we are continuing to see an increasing demand for the following roles:
1 - **Cloud Engineer**
2 - **Cloud Architect**
3 - **Cloud Developer**

Methodology

The statistics referenced in this report were obtained via an entity extractor provided by Innovantage, which scans and logs IT jobs postings across over 180 global job boards and in excess of half a million employer websites. This information was then put through a normalisation process, where the data was matched to defined regions and types. Where roles were unsortable due to vague or foreign language job titles, they have been omitted. This data was further sorted into disciplines, job types, sectors, and other categories to provide a detailed analysis of the current recruitment market. Instances where data was minimal or for regions where information was unavailable were not included. Experis drew upon its years of IT talent industry experience to compile the detailed analysis of the recruitment market found in this report.

Contact Information

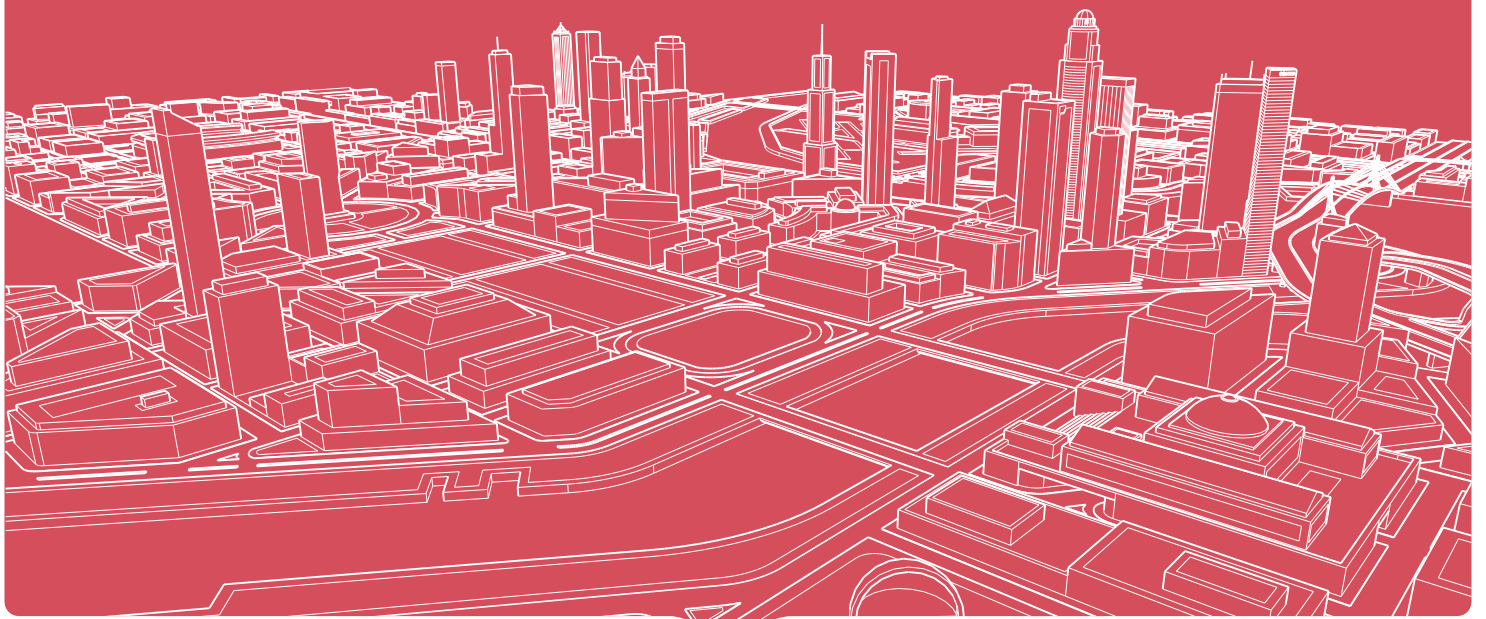📞 Tel: +44 (0) 203 122 0200

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