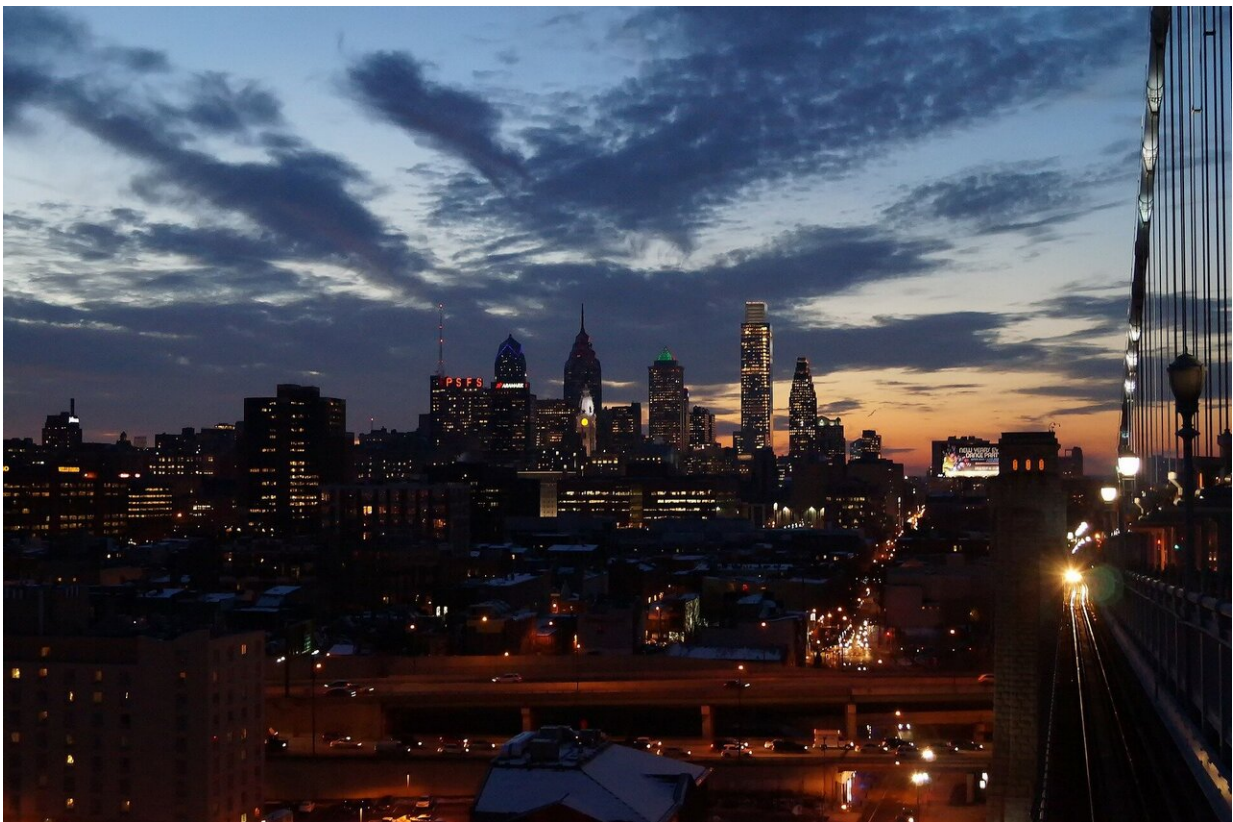


Philly employers are desperately seeking tech workers even as Silicon Valley giants are laying off thousands

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Major layoffs at big technology companies have dominated national headlines in recent months, seemingly portending doom and gloom for

tech workers. But the reality for most companies, including Philadelphia employers, is a continuing shortage of skilled technologists and a desire to hire more.

Recent cuts at Google, Microsoft, Amazon, Salesforce, Meta, Twitter, Coinbase and Spotify have tallied up to more than 50,000 roles in the [tech industry](#).

But local experts say that many of the eliminated positions belonged to support roles like salespeople and recruiters, rather than technologists, and many companies outside the [technology sector](#) still need tech-skilled workers desperately.

"We routinely confuse the difference between tech jobs," which exist in all industries, "and jobs in tech," which include business functions within a tech-focused [company](#), said Christopher Wink, cofounder and CEO of Technical.ly, a news organization that serves the tech and start-up community.

The recent layoffs Wink has seen locally are few, he said. Even for those workers, "the prospects are good if you're a highly skilled professional with a prestigious company on your resume," Wink added.

Locally, "tech jobs" have generally been safe from cuts, he explained, because they tend to be focused on maintenance or development of current products. In that way, Philadelphia is different from Silicon Valley, where many technologists are doing research and development and other speculative work, Wink said, which might get de-emphasized in a recession.

"The biggest impact is more the psychological impact," Brittany Nisenzon, a regional director for recruiting firm Robert Half, said of the national layoff news. In other words, seeing huge public companies

laying off thousands of workers makes other companies pause, but local employers don't seem to be considering layoffs en masse. Still, they have slowed the hiring process slightly, she said.

In tech-focused jobs specifically, demand has been consistent, Nisenzon said. Companies want people with software development, DevOps and infrastructure engineering skills, as well as tech support workers, she said, and many companies still need people to help them move from on-premise to cloud-based systems.

"The highest demand is certainly on skilled technology, people that have experience," she added. That presents difficulties, because local employers need to attract entry-level tech workers as well, if they want to have a pool of skilled workers later.

Getting the people

The Chamber of Commerce for Greater Philadelphia is working on a campaign to attract and retain tech talent in the city. A shortage of tech talent exists in most places, said Sarah Steltz, the chamber's vice president of economic competitiveness, and Philadelphia wants to welcome displaced tech workers who may have been laid off.

"Philadelphia has not had the same profile of being a tech ecosystem" as some other cities, Steltz said. But local companies now see "a unique opportunity to try to build the concentration of tech talent we have here in our region."

Steltz noted that the biggest tech companies experienced explosive growth during the pandemic and hired at a clip. Now, she said, there are still more tech jobs being posted than before the pandemic, even as demand eases somewhat. She recommends job-seekers consider companies in all industries.

The burgeoning life sciences and biotech industries in Philadelphia are going to need more skilled technologists, added Claire Greenwood, executive director of the chamber's CEO council for growth. Also hiring are existing local brands that build their own tech and need workers to do it, she said.

Wawa is one of those companies. The Delaware County-born convenience store chain wants to turn a former storefront in Center City into a training center for tech workers.

"That is a great location and hopefully a visible sign that tech is alive and well, and the ecosystem we create around it in Philly is alive and well and grows," CEO Christopher Gheysens said last month. The company builds its own customer-facing systems and spends about 30% of its overhead on technology, he said, and needs more midlevel tech workers.

Wells Fargo is another example, with about 100 open tech positions in Philadelphia. Stephen Battersby, who works on consumer technology for Wells Fargo, said a background in the financial industry isn't a prerequisite.

"We're a fintech company," said Battersby, referring to the financial technology industry, often perceived as a more innovative space than traditional banking with the emergence of consumer-facing apps and cryptocurrency. Battersby said Wells Fargo has about 300 tech workers in Philadelphia and about 40,000 across the company. "That's comparable to big tech companies," he added.

Also in the banking industry, JPMorgan Chase is looking to fill 725 jobs, including 200 technology roles at various levels, just down I-95 in Wilmington and Newark, Del. The company just broke ground on a new building to house all of those employees, highlighting their investment in technology.

Zooming out from layoffs

The Philadelphia region hasn't been entirely immune to layoffs in recent months, but they've been relatively few in the last quarter, when compared to Silicon Valley, and explained by specific company or industry stresses.

The mortgage-industry slowdown late last year led to Radian and Finance of America Holdings letting go of workers in Montgomery County. Bucks County-based generic drug maker Lannett Co. announced a restructuring in December, shutting down two plants in Northeast Philly. Penn Medicine Hospice at Rittenhouse announced its closure in December, pointing to a change in people's preferences for hospice care.

The Pennsylvania Dept. of Labor and Industry said it has received layoff alerts, known as WARN notices, affecting 1,023 workers in the first month of 2023. By comparison, the full year of Pennsylvania WARN notices affected a total of 7,493 workers in 2022 and 8,687 in 2021.

Nationally, the major layoffs in big tech aren't representative of the whole job market. Hiring is still a tough task, and a layoff rate of close to 1% consistently since 2021 indicates that it's still a candidate's market, wrote Atta Tarki, founder of search firm ECA partners, in a recent Harvard Business Review column.

Hiring Philadelphians

One thing that may help employers and job-seekers ease the [hiring process](#)—in tech roles especially—is meeting in the middle when it comes to remote work.

"We're overwhelmingly seeing the employers looking for on-site

candidates," Nisenzon, of Robert Half, said. But "the term hybrid remains undefined and makes people nervous because it's a fluid definition."

Candidates overwhelmingly prefer remote work, she said, but they limit their prospects severely when they rule out hybrid jobs. Being open to a local employer who requires some on-site work means they'll only be competing against other local candidates, instead of similarly skilled workers across the entire U.S.

"I'd continue to encourage employees to consider in on-site work," Nisenzon said. And "employers [should] keep an open mind in terms of working with remote candidates."

Wink, of Technical.ly, also stressed the importance of getting local employers to hire people who will live in the Philadelphia region, even if they do some work remotely.

Each tech job created supports 4.4 other local jobs.

A recent report from Technical.ly titled "A Way Forward: What's really holding back diversity in tech?" explained that while Greater Philadelphia's tech ecosystem is relatively small, employing just 3.7% of area workers, it is important because each tech job created supports 4.4 other local jobs. That effect is lost, however, if the employees don't spend any of their time in the region where their employer is based, Wink said.

But the companies looking to hire tech workers are facing a supply problem, the report made clear, and the region's tech workforce has become less diverse than the country's as a whole. Technical.ly's recommendations include in-school and extracurricular STEM programs for children, as well as advanced skills training for existing workers and

potential career-changers.

The report also recommends a focus on attracting people, not businesses.

"For decades, economic growth has focused on attracting companies, which would in turn lure residents. The pandemic and remote work will flip this for the most coveted kinds of companies," the report said. "This presents an opportunity for diversifying a workforce by attracting and retaining people by making the best city to live."

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