

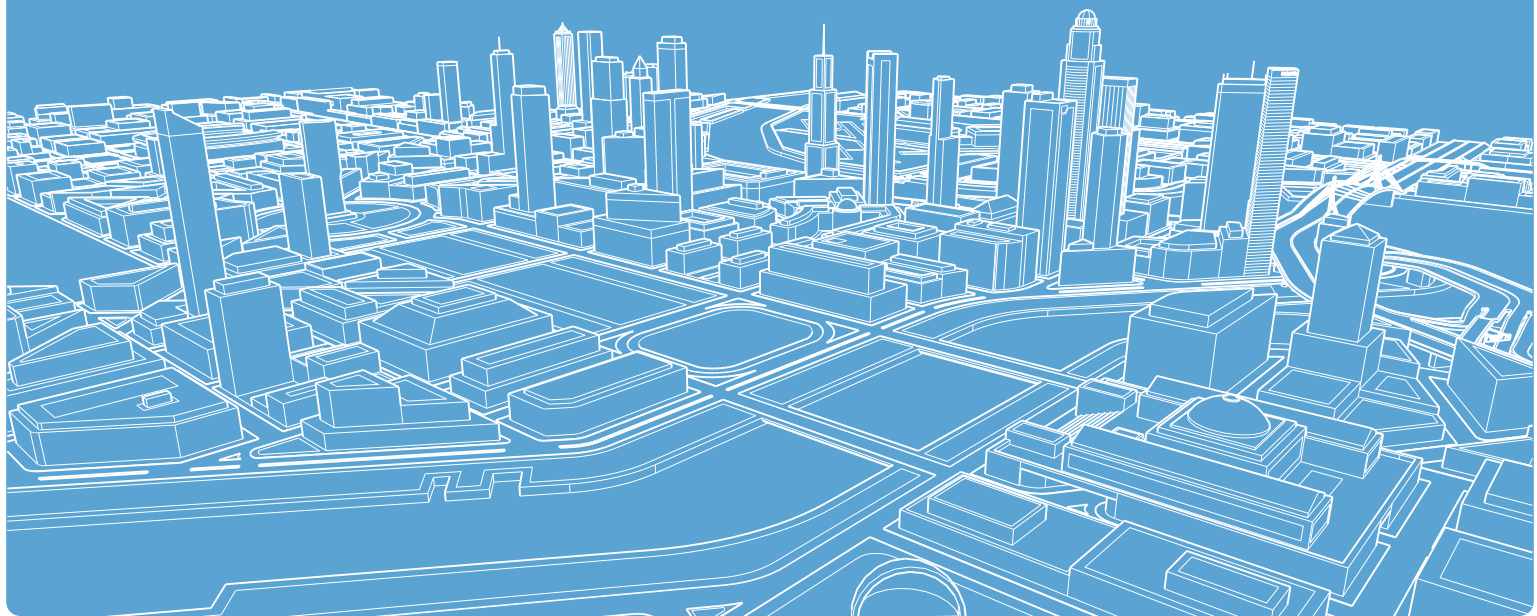


Experis™
ManpowerGroup



Tech Cities Job Watch

Q4 2014



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 the top tech talent in order to build their capabilities to innovate and cater to the demand.

The Experis Tech Cities Job Watch report sets out to provide 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.

Experis is the largest IT recruitment specialist in Europe and has been at the forefront of the search for the best in IT talent for over 25 years, placing more than 50,000 candidates in IT positions.

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

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Foreword

From silicon roundabout start-ups and Shoreditch design houses to global banks and insurance companies, the UK's boom in IT talent and job creation is a London success story.

However, this is by no means the whole story.

Our years of experience in identifying and placing the best IT talent across Europe has made it clear that centres of IT talent, skills and innovation, are growing everywhere. The UK is, in fact, covered with 'Tech Cities', all of which are competing to attract businesses and IT professionals and offer their own unique cultures and foundations for innovation and expertise.

We are introducing the Tech Cities Job Watch, our quarterly survey of hiring demand and salaries, as a means of tracking the evolving IT opportunities within these cities, and to identify changing trends across five key technology disciplines.

In this report, we reveal the strong and sustained competition that exists for skilled candidates across these technology disciplines. Cities such as Edinburgh, Glasgow and Bristol are offering salaries above the national average for IT roles, potentially seeking to draw talent away from traditional technology hubs in London and Manchester.

We also illustrate how contract roles provide an attractive alternative to companies that need to bring in specific talent on a project basis. For some technology disciplines, cities including Cambridge, Bristol and Birmingham, offer day rates that exceed the London average. The easy accessibility of these cities may be encouraging more commuting talent from London to explore opportunities elsewhere.

The prominence of roles in Mobile and Web Development reveal how many businesses now consider this a vital part of their sales and operational offering. By contrast, the relatively recent realisation of the value of harnessing Big Data has resulted in fewer roles advertised, but this scarcity has resulted in the highest average salaries.

We hope that the Tech Cities Job Watch will provide businesses with a barometer of the trends shaping IT recruitment across the country. As this report is updated, quarter on quarter, we're looking forward to tracking these changing appetites and providing 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
www.experis.co.uk





Executive Summary

The Experis Tech Cities Job Watch (TCJW) report for Q4 2014 shows that the UK technology industry remains buoyant. Findings reveal that the hunt for top IT talent is extending to all corners of Britain, challenging London's long-standing dominance as the main UK hub of IT expertise. A general shortage of skilled IT professionals across the country has resulted in sharp competition across 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.

London is still the country's leading centre of IT jobs, with three-quarters of all job postings in the five technology disciplines being advertised in the Capital. London also led the country in average IT permanent salaries, but was consistently challenged by other cities offering higher contract worker day rates. (See chart, pages 6 & 7)

Manchester had the second highest number of IT roles advertised across all the technology disciplines, but was below the national average on both permanent and contract pay rates. Both London and Manchester appear to be encountering increasing salary competition from emerging Tech Cities, notably Birmingham, Cambridge, Bristol, Glasgow and Edinburgh.

Demand across all of the technology disciplines covered in the report was steady over Q4, with the exception of a predictable lull over the holiday period in late December. Mobile and Web Development skills are in highest demand both in and outside of London, accounting for two-thirds of the roles advertised. The search for candidates with Mobile skills is being fuelled by an increasing number of businesses recognising the importance of making more services available on mobile and web platforms, as part of wider digital transformation programmes.

The fewest roles over the period were advertised in the Big Data and IT Security technology disciplines. Big Data is a growing area with wide implications for businesses, but skilled candidates remain rare. As a potential result, professionals in Big Data were being offered the highest average salaries compared with those from the five other technology disciplines.

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



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

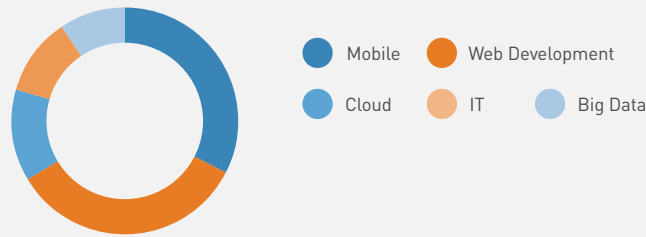
This section summarises the key trends in hiring demand across the five key disciplines of technology: Big Data, Cloud, IT Security, Mobile and Web Development. The analysis covers the period of Q4 2014.

Tech City: Hiring Demand

Steady levels of hiring demand were seen across **most disciplines of technology** throughout October and November. As expected, December saw the traditional seasonal decline in opportunities.

Across each of the five technology disciplines, London witnessed the greatest hiring demand of any Tech City.

Share of hiring demand across five technology disciplines



Web Development and Mobile together, account for two thirds of roles advertised.



Mobile

Almost three-quarters (70%) of Mobile roles were advertised in London. Outside of London, Manchester is the second largest hub, with 8% of Mobile roles advertised in this city. Whereas historically digital agencies developed mobile applications on behalf of companies, there has been a notable increase in companies investing in their own mobile developers. This is reflective of the way the market has matured, with businesses recognising the importance of mobile as part of their wider digital transformation programmes. They are taking an increasing number of their services mobile, driving strong demand for these skills.



Web Development

Out of the five technology disciplines, Web Development roles accounted for more than a third (33%) of roles advertised over the three month period. Manchester saw the second highest levels of hiring demand with 11% of vacancies advertised. Brighton experienced the lowest demand (less than 2% of roles advertised).

The market for Web Development skills remains buoyant as companies increasingly invest in projects to automate their business applications, subsequently driving the demand for professionals with these sought after skills.



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

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

The growing demand for IT Security professionals is being bolstered by the concerns and challenges companies face trying to protect their businesses from the ever-growing risks of high profile security breaches and more sophisticated cyber threats.

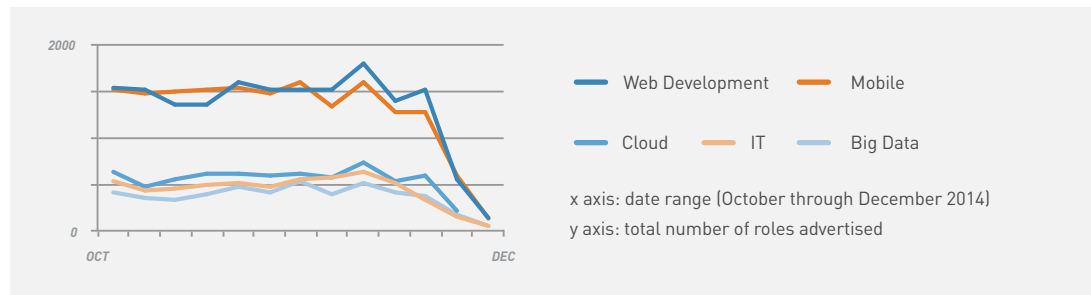


IT Security

Although IT Security has seen some of lowest levels of roles advertised compared to the other technology disciplines, it is an area that companies are increasing their investment in. The main spikes in demand were seen in the cities of Birmingham, Cambridge and London.

The growing demand for IT Security professionals is being bolstered by the concerns and challenges companies face trying to protect their businesses from the ever-growing risks of high profile security breaches and more sophisticated cyber threats. End users are now more aware of these IT Security issues and as these threats become more complex, businesses and governments have to dedicate further resources to tackling the problem. This, combined with the need to remain fully compliant with changing IT legislation around security, has fuelled a demand for CLAS-accredited IT professionals who specialise in security compliance whose skills are in short supply.

Total number of Roles Advertised 2014



Cloud

More than eight out of ten Cloud-based roles were advertised in the Capital. Sheffield reported the lowest demand for Cloud roles (less than 0.5%) as a likely result of fewer IT services companies being based in the city.

Organisations are using cloud services to reduce storage needs and support costs while improving the reliability of services. We are seeing a particularly strong demand in B2B organisations who are leading the innovation in cloud services and virtualisation technology.



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

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

In summary, over the Q4 period, 14,946 roles were advertised in Tech Cities outside of London, accounting for 28% of the overall total.

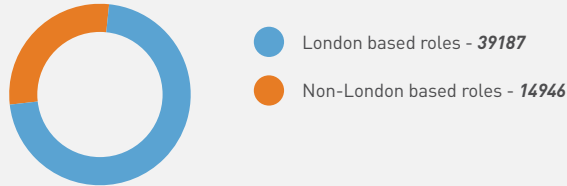


Big Data

In total, Big Data roles accounted for just 9% of IT roles advertised. Manchester and Bristol ranked in joint-second place for hiring demand, collectively accounting for around 8% of all Big Data vacancies.

Big Data is very much a growing requirement as companies move towards becoming paperless operations. Companies are looking for alternatives to traditional data warehousing methods to store, access and analyse data, thereby increasing business needs for Big Data solutions. We expect to see the number of Big Data roles created to increase throughout 2015.

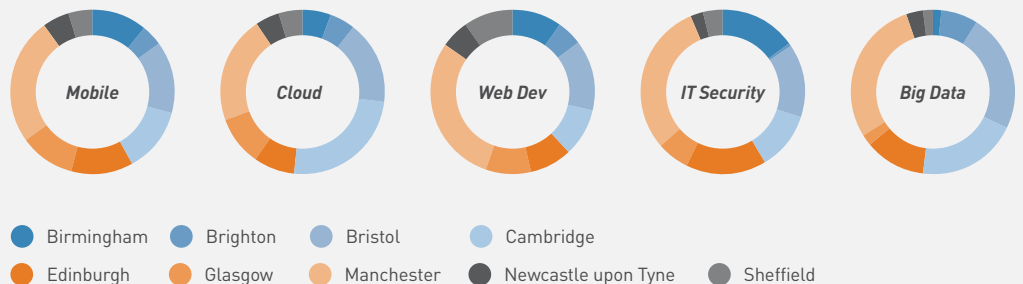
Share of London based roles and non-London based roles advertised across the five disciplines of technology in Q4 2014



In summary, over the Q4 period, 14,946 roles were advertised in Tech Cities outside of London, accounting for 28% of the overall total.

The Tech Cities also showing the strongest hiring demand across the five disciplines of technology include Bristol, Birmingham, Cambridge and Manchester.

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





Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

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

Salaries for IT Security professionals, in particular, may be driven by Scotland's strong Financial Services sector, an industry investing heavily in this area of technology.

Average permanent salaries

City	Big data	Cloud	IT Security	Mobile	Web Development	City Average
London	£62,499	£53,629	£57,115	£51,485	£44,790	£51,584
Cambridge	£35,720	£43,778	£48,402	£41,032	£39,750	£40,994
Birmingham	£35,750	£52,684	£50,308	£41,006	£34,122	£39,733
Glasgow	£45,300	£44,914	£50,804	£38,395	£37,162	£39,143
Bristol	£45,182	£39,896	£49,599	£37,517	£34,150	£37,859
Edinburgh	£41,633	£52,600	£50,323	£38,030	£32,524	£37,623
Manchester	£44,303	£37,904	£45,442	£40,697	£32,879	£37,370
Brighton	£34,942	£35,091	£33,200	£39,033	£34,273	£36,150
Sheffield	^	£31,733	£33,161	£37,071	£31,975	£33,451
Newcastle upon Tyne	£30,000	£43,631	£32,417	£30,831	£31,486	£31,993
Average	£58,941	£51,280	£55,119	£47,638	£40,460	£42,671

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

Unsurprisingly, given the concentration of IT demand within London, the Capital has the highest average salary in every discipline. However, when you look outside of London, other hubs are emerging:

In Cambridge, the high permanent average salary is likely to be influenced by the competitive recruitment of Cambridge University IT graduates in the area.

In Glasgow, growing demand for Big Data, IT Security and Web Development skills is leading to a candidate shortage, which is driving up rates and salaries. IT Security salaries in Edinburgh are among the highest of the Tech Cities. Salaries for IT Security professionals, in particular, may be driven by Scotland's strong Financial Services sector, an industry investing heavily in this areas of technology.

Relatively high average salaries in Birmingham and Bristol are perhaps the result of recruitment drives from a variety of consultancies in the area, who are looking to build specialist technology practices.

Newcastle upon Tyne and Sheffield salaries appear much lower than those in other cities. This is reflective of fewer large IT services companies in these areas, compared to the numbers seen in other cities, such as London, Manchester and Birmingham. However, permanent average Cloud salaries in Newcastle were more than £10,000 higher than the average salaries of the other four technology disciplines in the city.



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

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

Because contractors are more amenable to travel for project and contract purposes, the salary rates reflect the attractiveness of basing contractors outside of London.

Average contractor day rates

City	Big data	Cloud	IT Security	Mobile	Web Development	City Average
London	£498	£452	£449	£398	£367	£417
Bristol	£343	£521	£368	£342	£390	£393
Manchester	£414	£448	£412	£344	£331	£368
Glasgow	£325	£484	£344	£331	£304	£345
Edinburgh	£381	£404	£356	£337	£290	£340
Newcastle upon Tyne	^	£360	^	£260	£234	£336
Birmingham	^	£368	£458	£367	£258	£328
Brighton	^	£421	^	£282	£256	£320
Cambridge	£600	£411	£354	£434	£196	£312
Sheffield	^	^	^	£330	£300	£291
Average	£483	£448	£442	£387	£352	£404

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

Although London remains the top city for contractor day rates on average, it does not top the day rates for every discipline. Bristol appears as the city with the second highest day rates overall, with Manchester in third place.

The skills shortage in London is leading more employers to seek IT talent in cities outside of the Capital. When it comes to contingent roles, employers seem more flexible with where roles are located. Because contractors are more amenable to travel for project and contract purposes, the salary rates reflect the attractiveness of basing contractors outside of London.

This is also reflective by the pay rates, where better connected cities, such as Bristol and Manchester top the non-London cities for contractor rates, whereas they fall down the rankings for perm salaries (fifth and seventh highest respectively).

Contractor pay trends reflect those of the permanent market when we look at the disciplines commanding the highest pay. Once again, Big Data professionals earn, on average, more than their counterparts in the other disciplines of technology, whilst Web Development professionals earn the least.

Where Cambridge is the second highest paying city for permanent roles, it is the second lowest of the Tech Cities when it comes to contractor day rates, suggesting a stronger permanent jobs market.



Hiring Demand



Salary Watch



Employer Demands



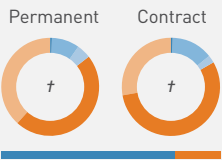
Skills Crunch

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

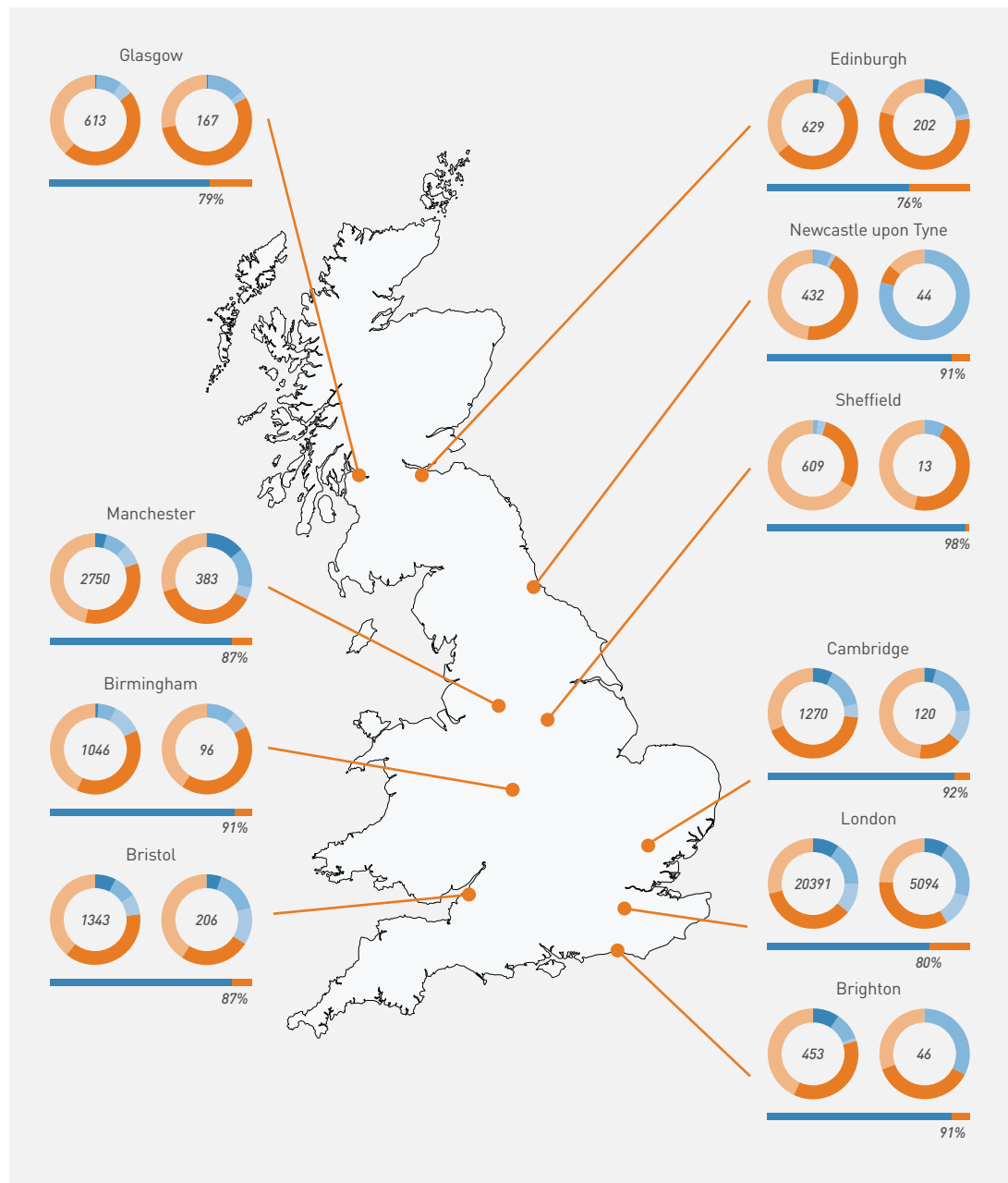
Employer Demand Trends

Employer Demand - Permanent vs Contract roles advertised

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



- % of Permanent roles advertised
- % of Contract roles advertised
- † Number of roles advertised





Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

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



Perm roles

Outside of London, Manchester was the technology hub with the strongest hiring demand for perm roles across all disciplines of technology (2750 roles advertised). Cambridge and Bristol followed behind (both with more than 1200 roles advertised per city), with Birmingham being the city with the fourth highest levels of demand in the UK.

Conversely, Newcastle and Brighton showed the lowest levels of demand across the five areas of technology with fewer than 500 roles in each city.



Contract roles

Manchester and Bristol were the top two cities outside of London for contract roles, whereas Sheffield was at the bottom of the league table.

In summary, there is a trend for companies to gravitate towards alternative cities, such as Manchester, which is becoming a popular hub for companies to base their IT functions in.

Flexibility of resource is another key factor for companies looking to employ professionals with the ability to travel to various sites around the country.

In the case of Bristol, its location on the M4 corridor may be playing a part driving demand for IT professionals. In cities such as Glasgow and Edinburgh, the Banking and Finance sector has demanded more contractors to help them with systems improvements, security and developing mobile services. Other factors driving the trend for varying perm and contract levels include perm recruitment freezes, with the outsourcing of IT systems to system integrators leading to an increase in the demand for contractors.

...there is a trend for companies to gravitate towards alternative cities, such as Manchester, which is becoming a popular hub for companies to base their IT functions in.



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

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

< Skills Crunch >

Over the past few years the need for front-end IT skills has been ever increasing. Initially, digital agencies and IT consultancies were pioneering demand for these skills, however more recently, end-user organisations have started to hire these skills in-house leading to higher demand and more intense competition.



Mobile

Mobile development has grown significantly and rapidly, which has led to a subsequent increase in demand for the most qualified candidates. The top three Mobile skills in demand this quarter were:

- 1 - **Android development**
- 2 - **iOS development**
- 3 - **Ruby on Rails**



Web Development

Back-end Development – The need for employers to have skilled back-end software developers continues to be pressing. The skills requirement for Java and .Net developers is beginning to stagnate, however demand still outweighs supply. The top three back-end skills in demand this quarter were:

- 1 - **.Net**
- 2 - **Java**
- 3 - **SQL**

Front-end Development – Over the past few years the need for front-end IT skills has been ever increasing. Initially, digital agencies and IT consultancies were pioneering demand for these skills, however more recently, end-user organisations have started to hire these skills in-house leading to higher demand and more intense competition. The top three front-end skills in demand this quarter were:

- 1 - **User Interface (UI)**
- 2 - **User Experience (UX)**
- 3 - **Visual design**



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

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

< Skills Crunch >

Clouds skills are currently heavily in demand as companies look to host and access more services through the cloud.



IT Security

There is a growing need for IT Security skills as employers look to improve their defence against the ever increasing number of cyber threats. The top three IT Security skills in demand for this quarter were:

- 1 - **CLAS**
- 2 - **Cyber Security**
- 3 - **Information Security**



Big Data

Big data is an emerging area of technology as companies look for alternatives to traditional data warehousing methods. The top three Big Data skills in demand for this quarter were:

- 1 - **Hadoop**
- 2 - **Semantic Web**
- 3 - **Hive**



Cloud

Clouds skills are currently heavily in demand as companies look to host and access more services through the cloud. We have seen a lot of clients build cloud capabilities to help them obtain market share. As a result, we are seeing an increasing demand for the following roles:

- 1 - **Cloud Developer**
- 2 - **Cloud Architect**
- 3 - **Sales Consultants**



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

Methodology

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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.