

# Federal government and most other industries scramble to hire laid-off tech workers

Article

**The news:** While the tech industry continues its slowdown, the overall labor market remains strong.

- The US job market grew in November, adding **263,000** jobs, keeping the unemployment rate flat at **3.7%**, per [The Washington Post](#).
- Meanwhile, the **tech industry's November layoffs were 3x higher than in October**, with 2022 so far seeing more tech worker layoffs than in 2020 and 2021 combined, according to Layoffs.fyi, per [NerdWallet](#).
- [DoorDash](#), [Roku](#), [HP](#), and [Elastic](#) are the latest tech firms to announce layoffs, adding to the tally of **903** US tech companies that have trimmed their headcounts this year as of December 2. Others that have made cuts include [Amazon](#), [Twitter](#), [Meta](#), [Lyft](#), and [Stripe](#).
- Additionally, [Apple](#), which has been on the firmest economic footing among Big Tech this year, announced a year-long hiring freeze in November, and [Alphabet plans to cut 10,000 employees](#) through a stricter performance review process.

**Here's how it's playing out:** Tech's losses are most other industries' gains as they compete with each other and the federal government to hire laid-off talent.

- The **US Department of Veterans Affairs** is on a mission to be the “absolute best place” for IT in the federal government by **hiring hundreds of tech workers as engineering leads, product managers, UX designers, and customer-support professionals**.
- The VA is joined by the [banking, automotive](#), defense, aerospace, [apparel](#), brick-and-mortar retail and agriculture industries, as well as climate startups. They're looking to tech's layoffs to digitally transform their businesses.

**Salary might set some apart:** The average tech worker employed by the US government earns **\$80,900**—well under the US tech worker salary average of **\$109,400**, according to Revelio Labs research, per [Bloomberg](#).

- The contrast is even more pronounced when compared with the biggest tech companies, which pay **\$138,800** on average.
- Alphabet's median compensation was **\$295,884** in 2021.
- Those high salaries have made it difficult for the government and other sectors to attract tech talent in the past.

**A golden opportunity:** The shifting employment landscape means the government and an array of industries have a chance to use tech talent to modernize and enhance capabilities, services, and products.

- Workers who felt uninspired by toiling to drive digital ad revenue or social media traffic can use the influx of job openings to put their tech skills toward a more personally meaningful purpose like public service or the environment.
- But the window might not be open long. Although inflation has slowed to **7.7%**, down from **9.1%** in July, per the Post, it's still far above the **2%** goal.
- With the Fed eyeing the hot labor market as a contributor to inflation, even relatively small interest rate increases going forward could tip the scales against tech workers and the sectors that want them during the first half of 2023.

**Leading Challenges Creating Long-Term Economic Consequences in 2022 According to Financial Services Executives Worldwide**

% of respondents

	Germany	UK	The Americas
Climate change	32%	21%	12%
Geopolitical disruptions	26%	24%	16%
Market inflation	18%	23%	31%
Conflict in Ukraine/Russia	10%	4%	4%
Supply chain	7%	16%	20%
Digital transformation	4%	1%	3%
Changes in consumer behavior	3%	6%	7%
COVID-19 effects	1%	4%	7%

Source: AlixPartners, "Preparing for the Storm: Insights from the 17th Annual Turnaround and Transformational Survey," July 19, 2022

277016

InsiderIntelligence.com

*This article originally appeared in Insider Intelligence's Connectivity & Tech Briefing—a daily recap of top stories reshaping the technology industry. Subscribe to have more hard-hitting takeaways delivered to your inbox daily.*

- *Are you a client? [Click here to subscribe.](#)*
- *Want to learn more about how you can benefit from our expert analysis? [Click here.](#)*