

TECH LAYOFFS: WHAT IT MEANS FOR EMPLOYERS ACROSS INDUSTRIES

IN JUST THE PAST FEW MONTHS:



META | 13%

PARENT COMPANY OF INSTAGRAM AND FACEBOOK, SHED 13% OF ITS WORKFORCE.

ALPHABET | 12K

GOOGLE'S PARENT COMPANY, SLASHED 12K EMPLOYEES FROM ITS ROLLS.

MICROSOFT | 10K

TRIMMED 10K JOBS

The face of tech is changing. Or, maybe it is more accurate to say... the faces in tech are changing.

That's because U.S.-based tech companies have laid off more than 58,000 workers so far in 2023. Last year, the sector cut more than 140,000 jobs.

Historically, significant cutbacks by one industry can signal impacts for others. Here is a look at just a few of the current implications for employers outside the tech world.

KEY IMPACTS ON NON-TECH EMPLOYERS

1

BETTER CHANCES TO WIN TOP TALENT

With more talent pouring into the market, and fewer tech companies to compete against, employers across the board now have better chances to fill open positions for system engineers, software developers, coders, computer analysts, cloud architects, etc. with advanced skill sets. In fact, as of late last year, tech-based job openings were up 25%.

2

FAVORABLE FOR KEY SECTORS

Although tech companies are laying off workers, organizations in many sectors, including insurance, retail, and fintech, remain in hiring mode. In the insurance industry, for instance, new research published in [PropertyCasualty360](#) says 64% of underwriting leaders are understaffed, with 78% saying they need better technology. In the healthcare industry, which is projected to grow about 13% over the next seven or eight years, employers need talent to help upgrade IT systems, integrate platforms, harness more data, and better leverage technology.

3

POTENTIAL FOR ACQUISITION

Beyond acquiring individual talent, stable organizations in the non-tech space may have the chance to gain the right mix of skills and service offerings they need to scale and advance through business acquisition. Smaller tech companies, which may have lowered headcount but are hanging on financially, can present attractive "buy" potential.

4

EMPHASIS ON VIRTUAL JOBS

Because the workplace is no longer confined to on-site only, employers located outside of geographic tech centers (e.g., Seattle, Silicon Valley, Boston, etc.) can consider restructuring open positions as virtual, fully remote, or hybrid. This way they can attract (and better compete for) available talent elsewhere to join their companies, without forcing them to physically relocate.

HOW CAN EMPLOYERS REACH OUT TO THIS NEW POOL OF TALENT TO FILL CURRENT JOB OPENINGS?

With more tech talent now available, employers that may have previously struggled to fill openings now have a prime opportunity to bring new talent into the fold. Here are a few communication tips that can help refresh recruitment efforts:



BE HUMAN

According to WebMD, [25%](#) of people say work is the biggest source of stress they face. And the uncertainty associated with a job loss or even contemplating a new one can heighten anxiety. So, during interviews and meetings, it's important to empathize with candidates, express understanding for their situation, and let them know you're ready to welcome them to the team with your job offer.



BE FAST

As of December, the median unemployment duration was about [8.9 weeks](#). However, among recently laid off tech workers, a ZipRecruiter survey found that [37%](#) found a new job within one month. So, employers needing to fill open positions should act fast, as prime candidates are likely to find new jobs quickly.



BE SOCIAL

Social media platforms, particularly LinkedIn, can be particularly effective to:

- Tailor your message to out-of-work professionals
- Share links to job postings at your organization
- Leverage professional networks and connections to further distribute and share details about openings
- Enable easy referrals by existing employees
- Allow for personal contact and outreach



BE TRANSPARENT

During your interview process, not only is it important to ask questions about a candidate's career goals and preferences for their next opportunity, it's also important to advocate for your organization. In communications, emphasize key examples of how your organization takes care of employees (e.g., benefits packages) and offers opportunities for growth and advancement.



Our advisors provide expertise that can help organizations offer attractive benefits that align with what employees want most today... and can help you stand out among the competition in a tight labor market. Connect with us today for more information.

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