

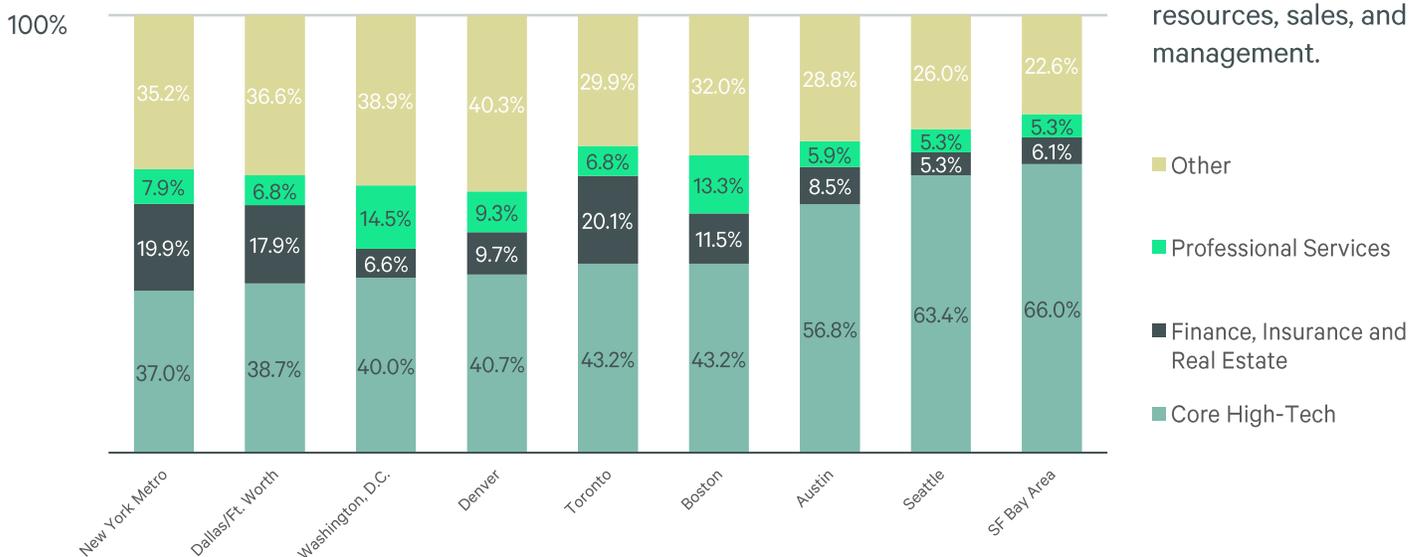
New York City Takes Third Place in 2023 Scoring Tech Talent Report

According to [CBRE's 2023 Scoring Tech Talent](#) report, the New York metro has advanced to the third highest-ranked market for tech talent in North America, trailing the West Coast tech goliaths of San Francisco (#1) and Seattle (#2). In addition to the size of a market's tech labor pool, the report analyzes the concentration of talent, labor costs, and real estate costs.

There are over 370,000 workers with tech skills in the Tri-State New York area, second only to the San Francisco Bay Area's 408,000. The New York area has the lowest share of tech workers employed in the core high-tech industry (37%) among the ten largest tech markets.

This is due to the diversity of the region's employment base including competition for tech talent from financial and professional services firms.

FIGURE 01: New York Has Most Diversified Tech Talent Among Top Markets
Industry Share of Tech Talent Across Top Markets



Source: U.S. Census (Metro), IPUMS and CBRE Research, Q3 2023.

Tech Talent vs. Tech Employment

Tech Talent: Workers with technology skills (coding, engineering, technical product management) who are employed across a range of industries including but not exclusive to the core technology sector.

Tech Employment: Employees of technology companies including those with non-technical skills in human resources, sales, and project management.

The tech industry layoffs that began in 2022 focused on sales and recruitment positions, however, as financial headwinds persisted into 2023, layoffs began affecting a greater number of highly compensated technical roles. In New York, where software engineering and coding skills are in demand from non-tech employers, these workers have ample opportunities to be quickly reabsorbed into the labor market.

New York Metro Tops North America for Tech Degree Completions

New York's universities produced more graduates with technology degrees than any other market in North America by a wide margin in 2021. In 2022, the city's newest technology college – Cornell Tech – produced nearly 350 graduates with technology degrees. This was the largest class since the graduate college opened on Roosevelt Island in 2012. New York's thriving academic landscape and determined approach to cultivating a tech workforce ensure that the city will remain a bountiful location for talent recruitment.

FIGURE 02: New York is Top Market for Tech Degree Completions

Market	Tech Degree Completions (2021)	Growth (2017-2021)
New York Metro	22,719	28.4%
Los Angeles/Orange County	15,030	19.2%
Boston	13,802	43.2%
Washington, D.C.	13,688	21.7%
San Francisco Bay Area	9,967	4.6%
Atlanta	9,098	28.7%
Chicago	8,834	0.0%
Salt Lake City	8,607	98.8%
Toronto	7,859	41.7%
Dallas/Ft. Worth	7,299	10.5%

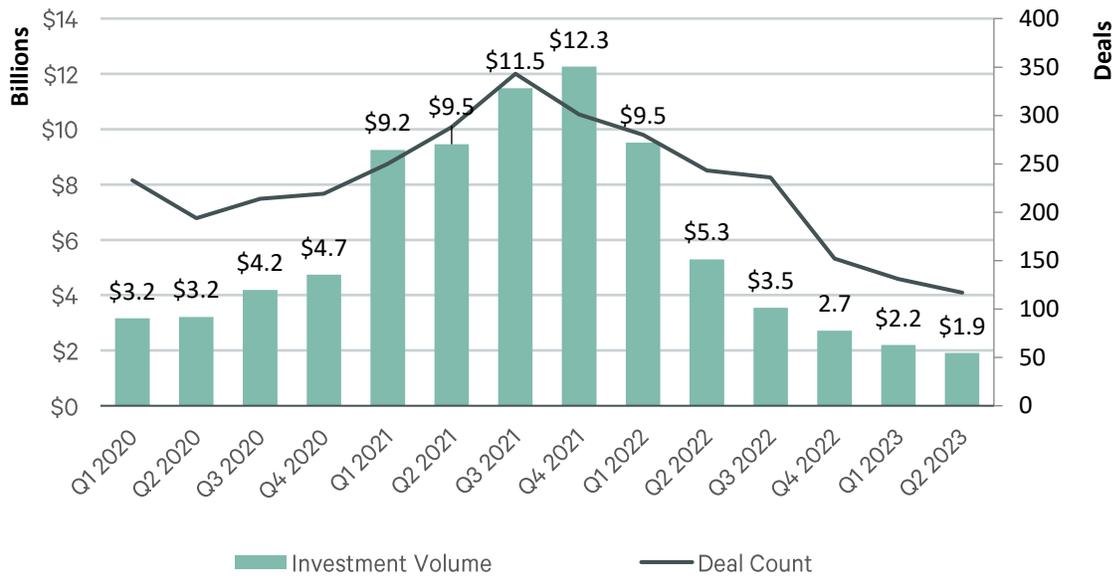
Source: The National Center for Education Statistics, Q3 2023.

New York City’s ongoing development of tech talent is an investment in the city’s future. The city’s leading position as a major knowledge center for aspiring tech talent ensures that all industries will look to New York as a source of labor. While the city’s largest tech employers are pumping the breaks on growth, the city’s talent pipeline continues to churn out qualified graduates, cementing the region’s reputation as a reliable source of talent when the industry resumes hiring.

Headwinds and Opportunities in the Tech Sector

New York’s decelerating tech employment is closely associated with a shrinking venture capital pool. New York City’s year-over-year venture capital takings contracted 64% between Q2 2022 and Q2 2023, creating financial pressure for technology companies that had been growing throughout the pandemic era.

FIGURE 03: NYC Venture Capital Dropping Off as Economy Faces Headwinds



Source: CB Insights, CBRE Research, Q3 2023.

Artificial Intelligence Firms Put Down Roots in Manhattan

Even as venture capital declines, New York City-based companies involved in the artificial intelligence (AI) space have seen their investment volume increase dramatically. New York City’s AI firms attracted \$489 million in investment in the first half of 2023 compared to \$452 million for all of 2022. With dozens of startups involved in artificial intelligence and machine learning already located in Manhattan, the city appears poised to take a leading role in the development of AI in the decade to come.

