



Job Market Trends Across Tech Companies in 2022

Featuring LinkUp Job Market Data

March 2023



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Summary

The year 2022 began with high hopes and momentum from the previous year, but it turned out to be a challenging year for tech companies due to funding constraints and increased the pressure on cash flows. This led to layoffs and hiring freezes across many companies, both large corporations and private ones.

While data on large publicly traded companies such as Meta, Google, and Amazon was extensively analyzed, the layoffs' impact was also felt across private companies. In this report, Synaptic combines its data with LinkUp data to examine and discuss hiring trends across private tech companies in North America in 2022. This data was analyzed from various perspectives, including the company's funding stage, industry, team size, job functions, location and more. We have also compiled a list of top tech companies that experienced job growth despite mass layoffs and job cuts.

Below are some key inferences from our analysis:

- In 2022, technology companies had fewer job openings than in 2021. Barring some exceptions, this was a secular trend, visible across all stages of growth and funding.
- Companies in the early-growth stage (i.e. Series B and C) experienced the largest decline in job openings.
- Job positions related to core tech functions saw comparatively fewer job cuts in contrast to sales, marketing, and other non-technical roles.
- Fintech and enterprisetech industries experienced the largest drop in job openings, while the healthtech sector was the least affected.
- Job openings decreased across all states. Washington and New York witnessed higher declines amongst the top 5 states by highest job openings for private tech companies.

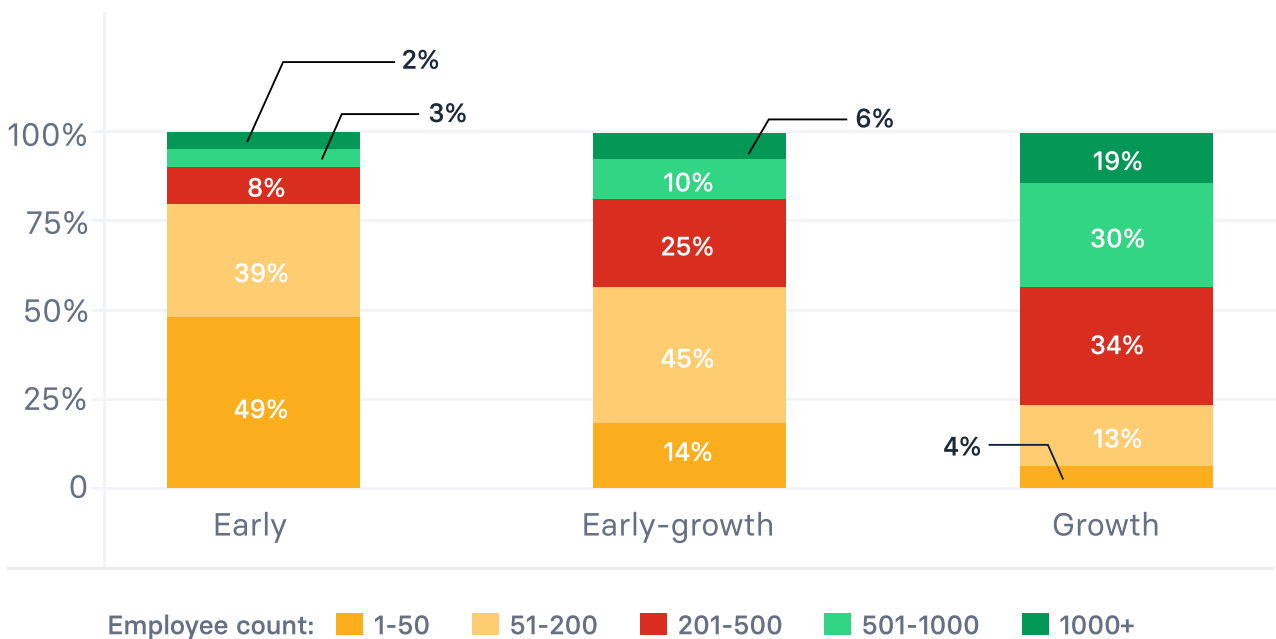
Methodology

We studied employee count and job openings data from 1,579 tech companies in various industries, including agritech, e-commerce, autotech, foodtech, legaltech, edtech, enterprise infrastructure and software, fintech, digital health, digital media, real-estate tech, AI and blockchain in the US and Canada. Our analysis included funding information, employee reviews, and other alternative datasets to provide insights into the current trend of hiring and attrition during the ongoing layoffs. We categorized the companies based on their funding stages, as shown.

Funding Stage	Company type
<ul style="list-style-type: none"> • Angel • Initial Coin Offering • Pre Seed • Seed • Series A 	Early Stage
<ul style="list-style-type: none"> • Series B • Series C 	Early-growth Stage
<ul style="list-style-type: none"> • Series D • Series E • Series F • Series G • Series H 	Growth Stage

Data sample composition

The sample we analyzed consisted of 25% early stage companies, 50% early-growth stage companies and 25% growth stage companies. Here is the sample breakdown by the company's team size in the buckets of (0-50), (51-200), (201-500), (501-1000) and 1001+ employees.



Graph 1: Percentage distribution of employee count within early stage, early-growth stage and growth stage companies

Key definitions and metrics used

- **Active job openings / job openings**

Total number of job listings that were active/ open across all roles for a given company during that month.

- **Tech companies**

This refers to companies that offer technology as a core business model and have been classified as “tech companies” using Synaptic’s proprietary business model tagging.

- **Tech job openings**

The total number of job listings made for core tech jobs during a month for a given company (or companies). Tech jobs include engineering, data science and analytics, product management and quality assurance.

- **Non-tech jobs openings**

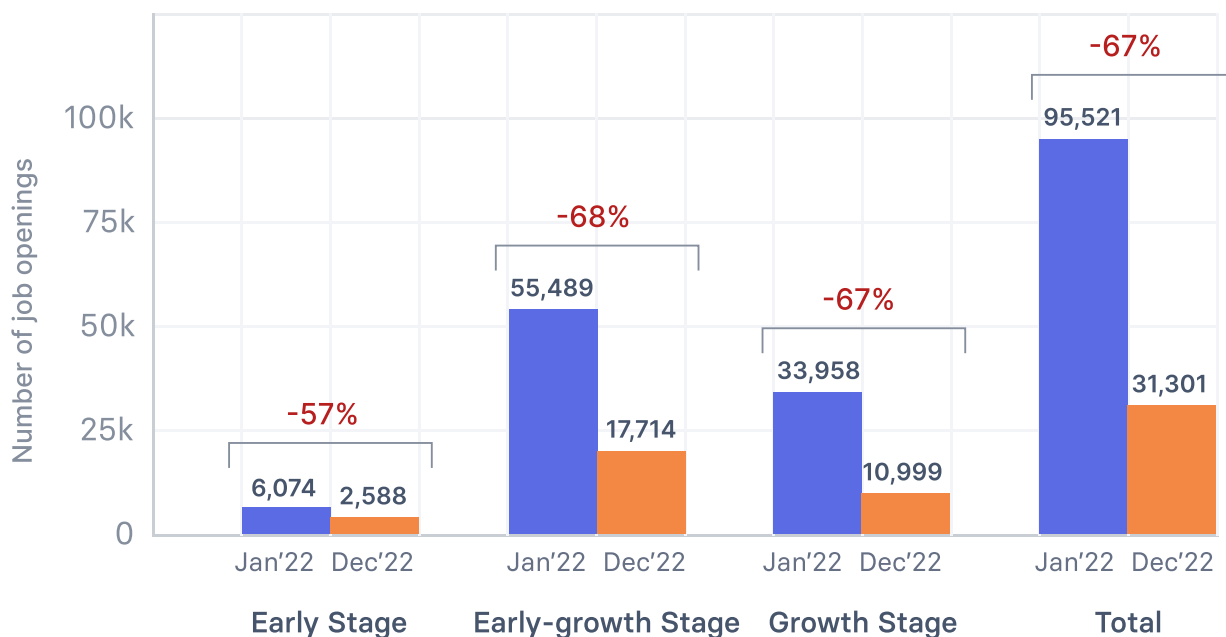
Total number of job listings for all other jobs except tech jobs. Non-tech jobs include accounting, communication, design, finance, general management, HR, marketing, operations, sales and support.

Section 1

Hiring trends by funding stage

Job openings reduced by 67% in 2022

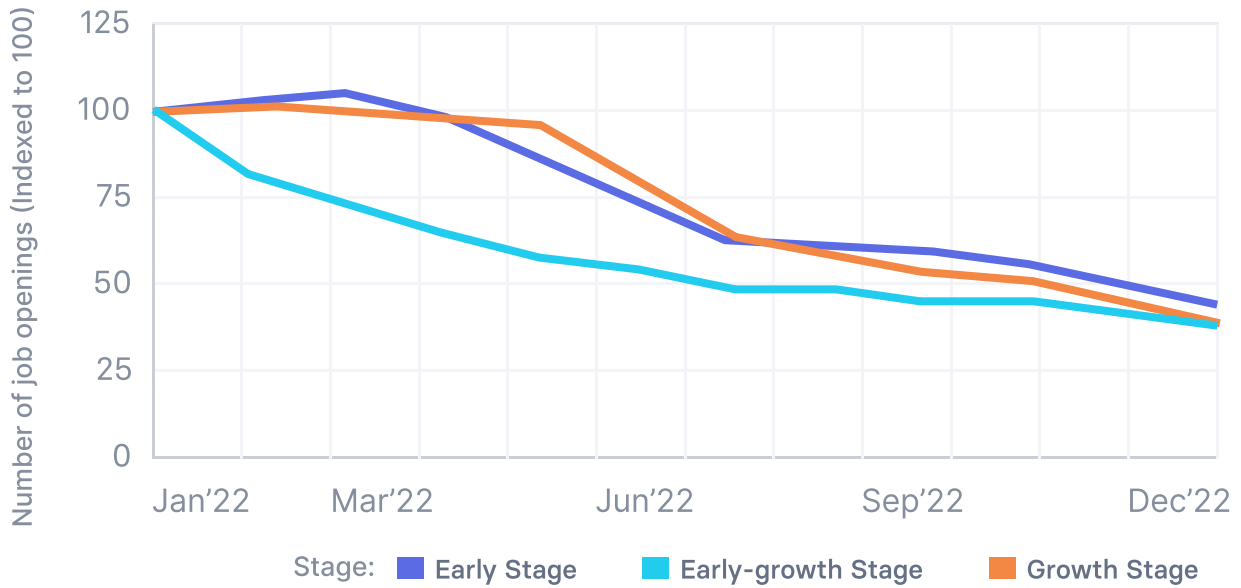
Early-growth stage companies were hit the hardest, experiencing a 68% decline in job openings from the beginning of the year.



Graph 1.1 Active job openings for early stage, early-growth stage and growth stage companies

The 12-month job openings data was indexed to 100 to analyze the reduction in job openings further, as shown in graph 1.2.

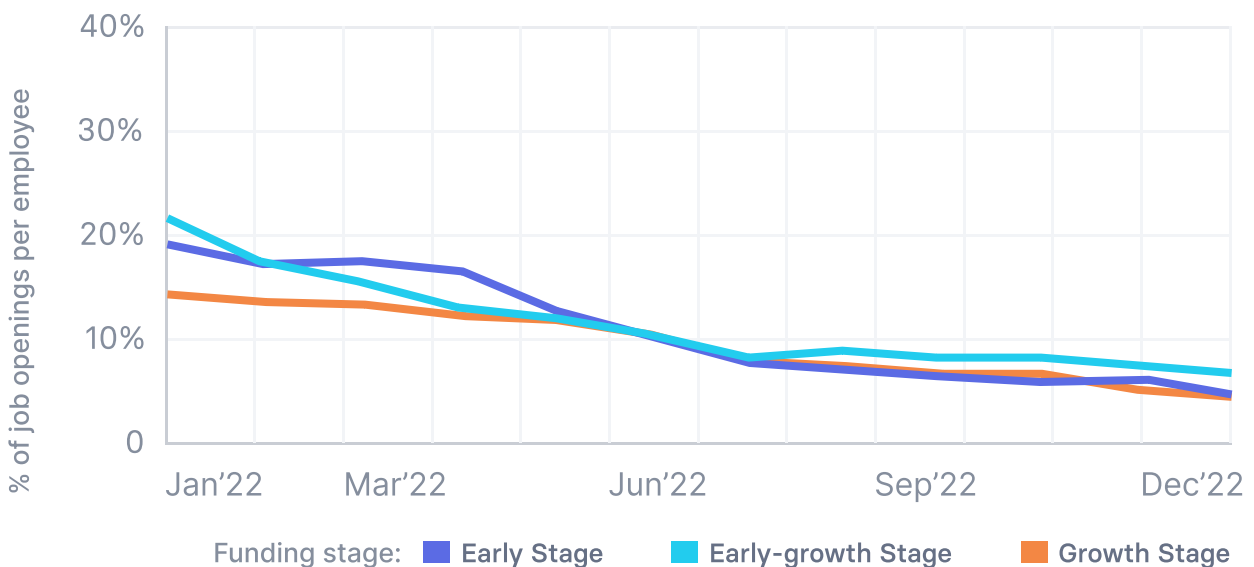
While early and growth stage companies witnessed declines in job openings post Q1, early-growth stage companies witnessed consistent decline in job openings from the start of the year



Graph 1.2: Active job openings for early stage, early-growth stage and growth stage companies (Indexed to 100)

To gain a better understanding, the job openings data was normalized further against the company's team size. From graph 1.3, we infer that even early stage companies experienced a significant reduction in job openings.

Similar declines witnessed in job openings post normalizing against team size across early, early-growth and growth stage companies



Graph 1.3: Active job openings as a percentage of employee count for early stage, early-growth stage and growth stage companies within private technology companies in North America

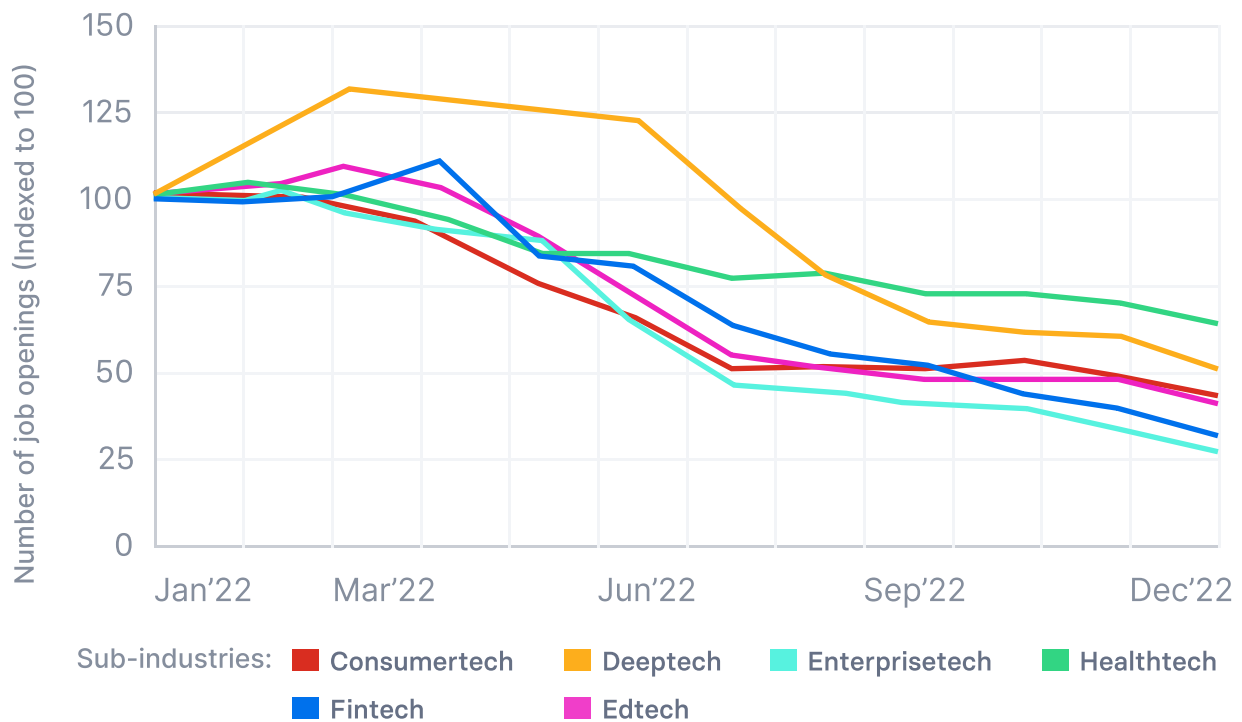
Section 2

Hiring patterns across different technology sub-industries

In this section, we analyzed job openings data for different sub-industries within the tech sector, including consumertech, deeptech, edtech, fintech, healthtech, logitech, mediatech, and enterprisetech.

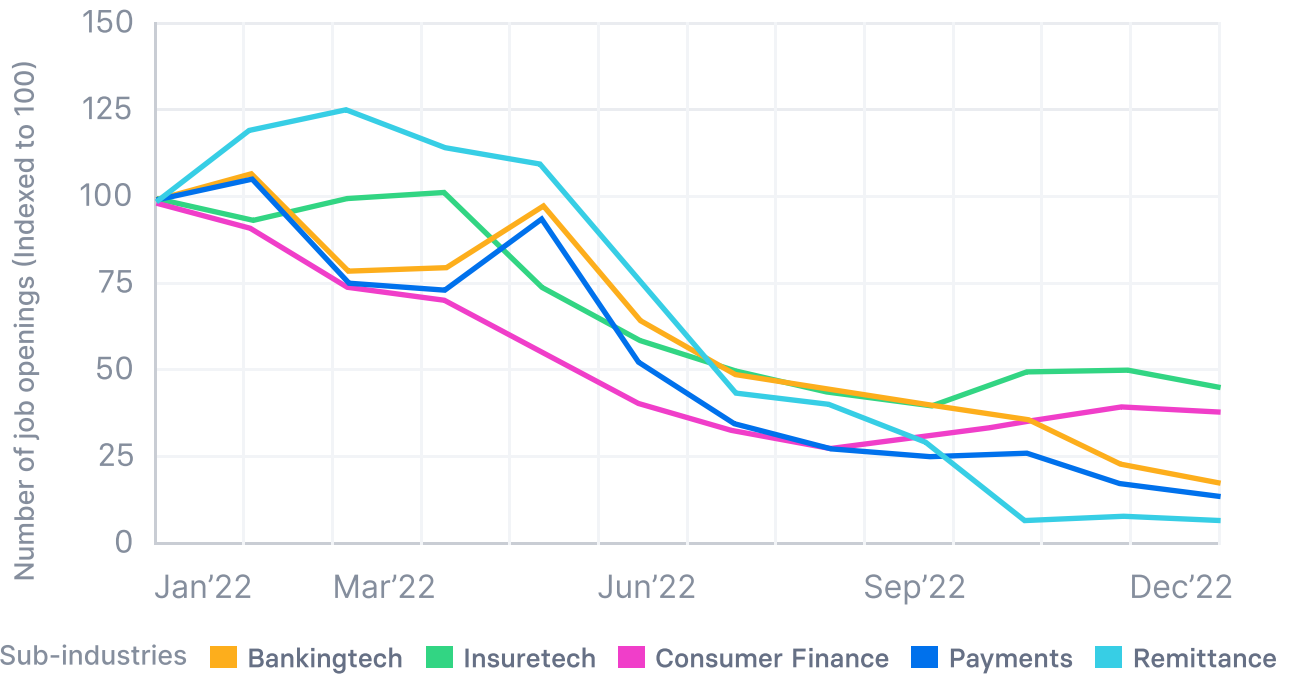
All sub-industries within technology experienced a decline in job openings in 2022, with 8 out of 9 sub-industries seeing a reduction of more than 50%.

Fintech and enterprisetech witnessed the highest decline in job openings, health tech was the least impacted



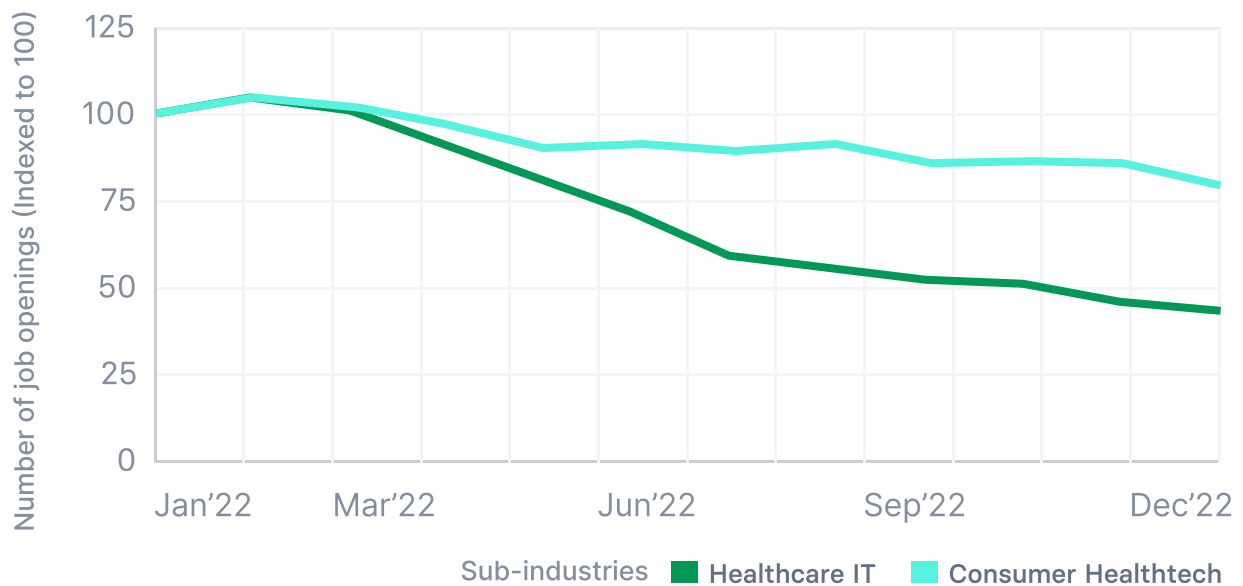
Graph 2.1: Active job openings across observed tech sub-industries (indexed to 100).

Within fintech, remittance companies had the biggest reduction in job openings of over 80%



Graph 2.1: Active job openings across observed fintech sub-industries (indexed to 100)

Within healthtech, healthcare IT witnessed higher decline in job openings than consumer healthtech



Graph 2.3: Active job openings across observed healthtech sub-industries (indexed to 100)

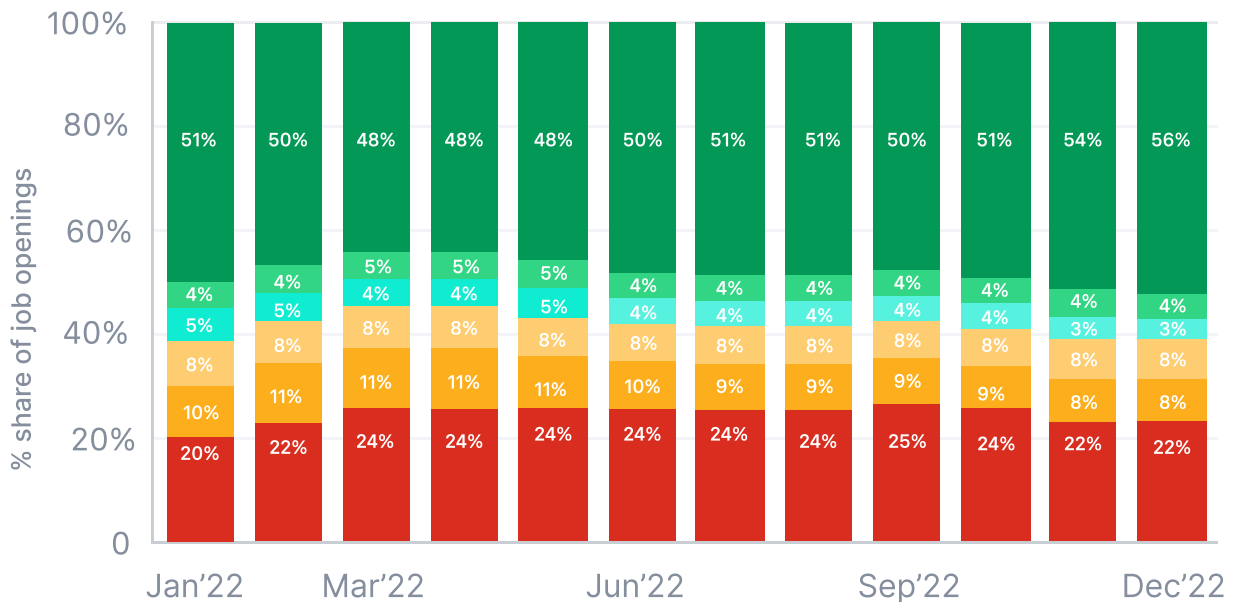
Section 3

Hiring patterns across top 5 states by job openings

The top 5 states offering the highest job openings across private tech companies were analyzed for the hiring impact. These included California, New York, Washington, Texas and Illinois.

Higher job declines were observed in Washington and New York.

California and New York constituted the highest share of job openings in private tech companies

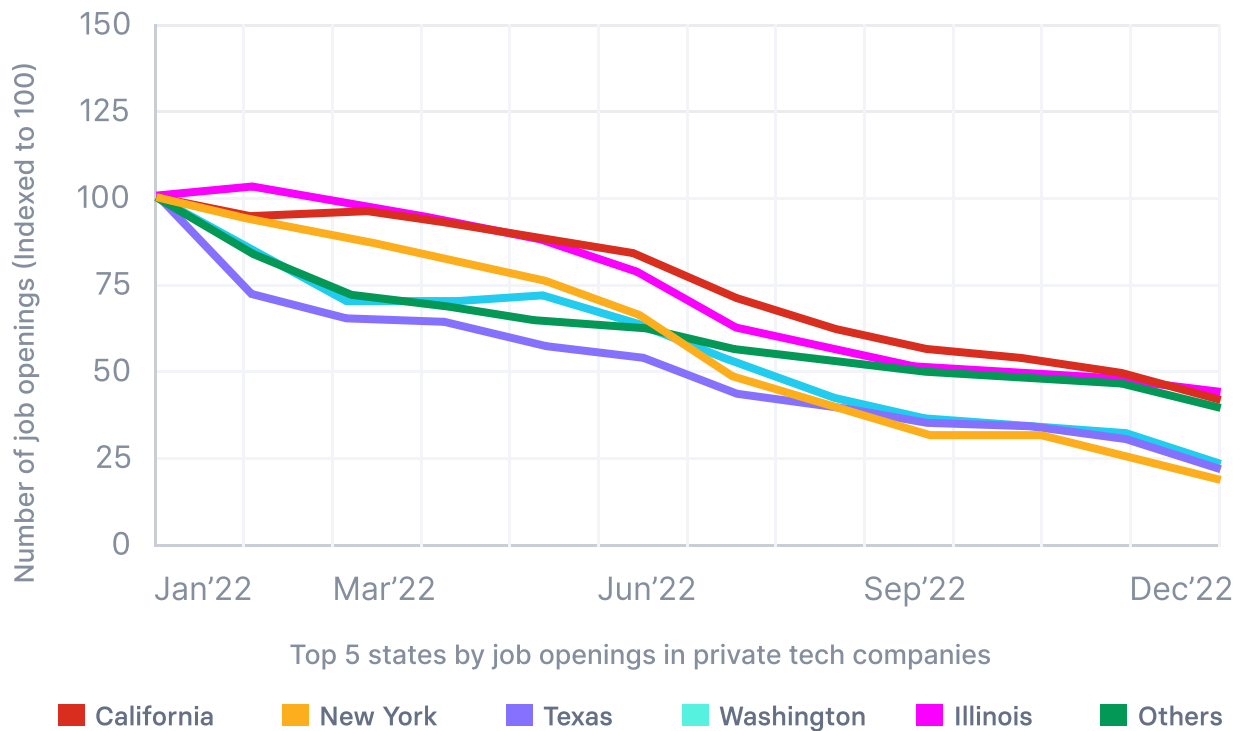


Top 5 states by job openings in private tech companies:

■ California
 ■ New York
 ■ Texas
 ■ Washington
 ■ Illinois
 ■ Others

Graph 3.1 : Active job openings (%) distribution by states. 'Others' consists of all other states' openings combined

Washington and New York witnessed heaviest decline in job openings amongst the top 5 states by job openings in private tech companies



Graph 3.12: Active job openings distribution by states (indexed to 100)

Section 4

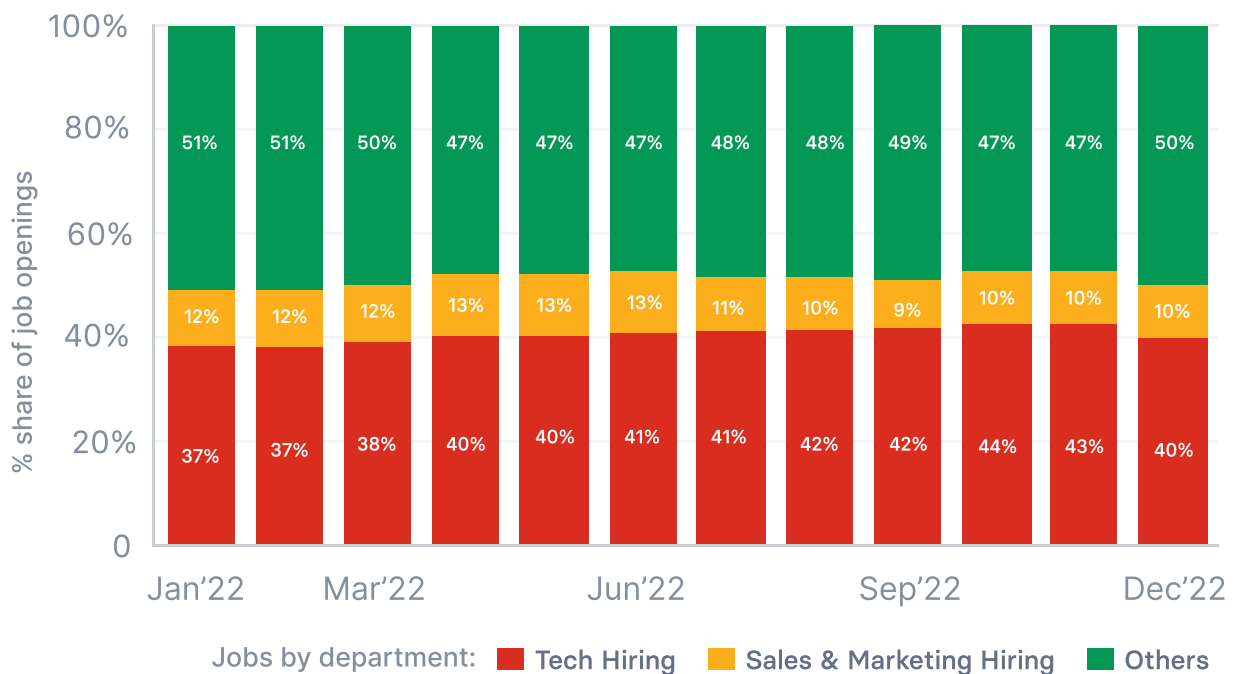
Comparison of hiring trends: Tech vs. Sales & Marketing roles

For this analysis, tech jobs refer to positions within engineering, product, data science and data analyst roles. We chose to examine this against sales and marketing because these positions are typically the first to be affected by an economic downturn.

Although total job openings decreased in 2022, graphs 4.1 and 4.2 show that the percentage share of tech jobs within total job openings increased for early stage and early-growth stage companies in 2022. The percentage distribution of tech and S&M jobs remained fairly the same for growth stage companies in 2022, as seen in graph 4.3.

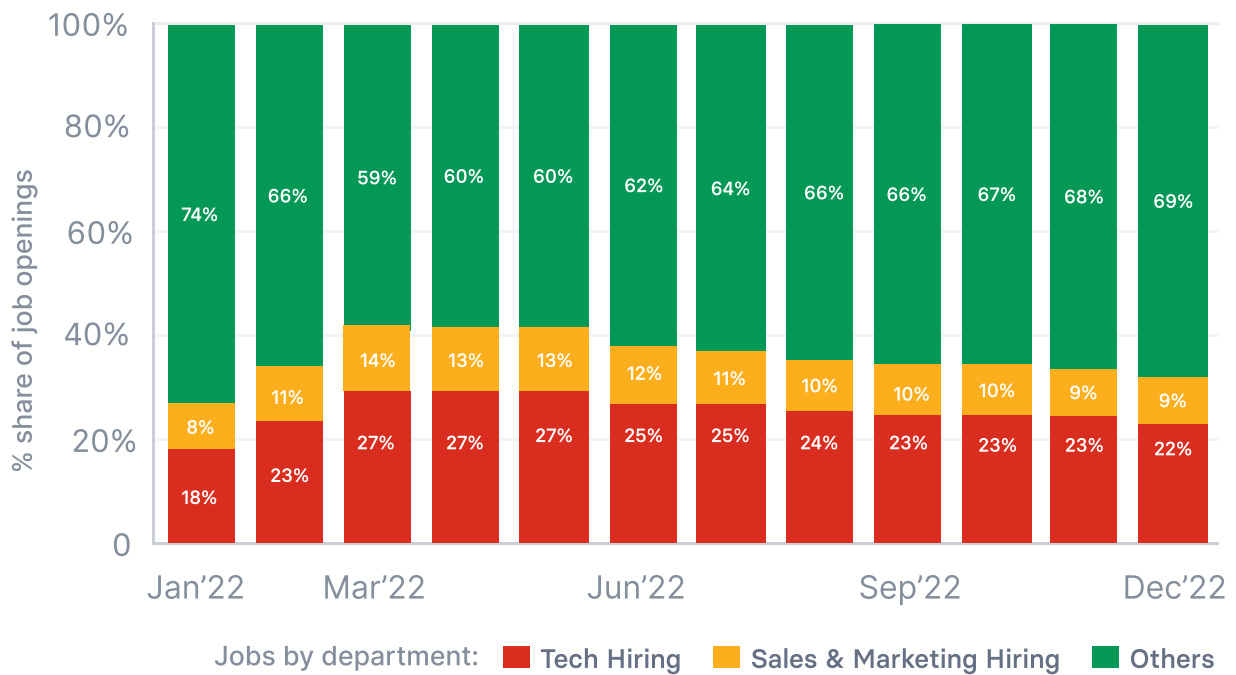
Tech hiring took precedence over S&M hiring in early stage and early-growth stage companies

1. Early stage



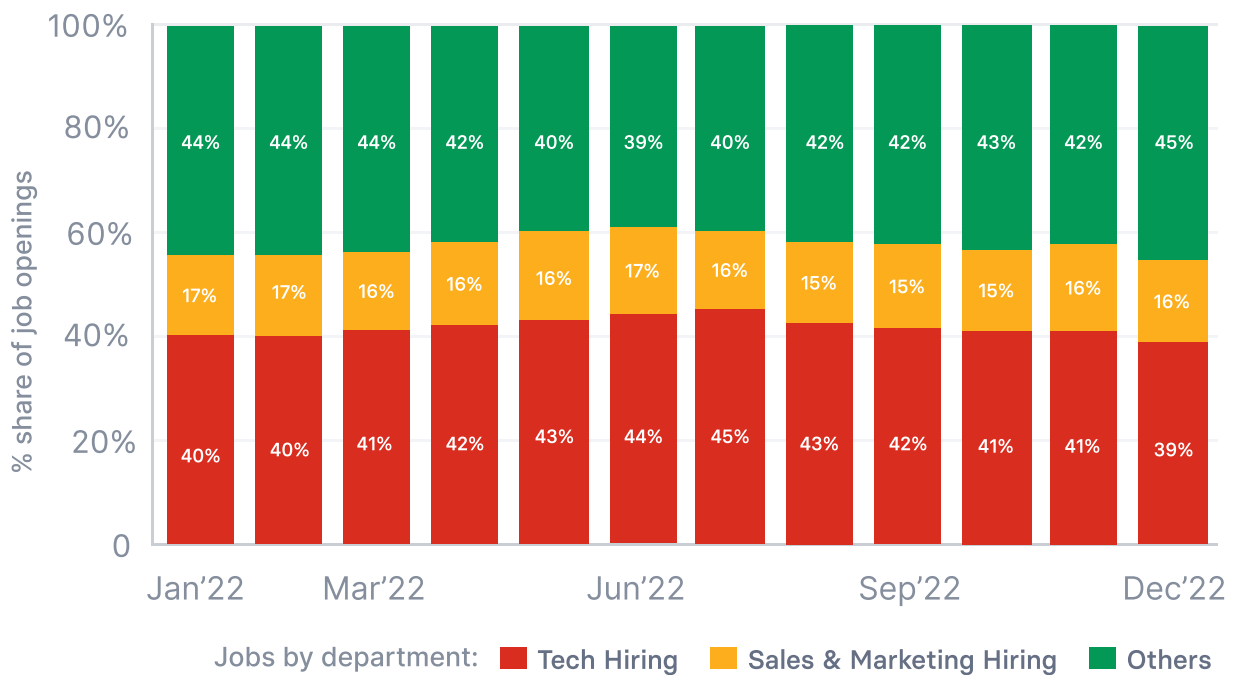
Graph 4.1 : Active job openings across 'tech' and 'sales & marketing' roles as % of total active job openings for early stage companies

2. Early-growth stage



Graph 4.2: Active job openings across 'tech' and 'sales & marketing' roles as % of total active job openings for early-growth stage companies

3. Growth stage



Graph 4.3: Active job openings across 'tech' and 'sales & marketing' roles as % of total active job openings for growth stage companies

Section 5

Companies with exceptional hiring trends

While many companies downsized their workforce to cut costs, some companies in the tech industry significantly increased their workforce despite the challenging market conditions. We have highlighted some such companies below.

Early stage companies

Early-growth stage companies

Growth stage companies

Company	% Change*	Company	% Change*	Company	% Change*
Dgraph	121%	Notion	158%	Whatnot	164%
Viam	110%	Datadog	142%	Fireblocks	92%
Magic (magic.link)	106%	Alchemy (alchemy.com)	129%	Gravie	88%
Doppler	106%	Wisetack	125%	Postman	80%
Slingshot Aerospace	104%	Mutiny (mutinyhq.com)	123%	RapidAPI	77%
Moov Technologies	100%	Walnut (walnut.io)	119%	Rippling	76%
ActiveCove	100%	Rho (rho.co)	119%	Engage3	74%
EvolutionIQ	97%	Solo.io	111%	Starburst Data	67%
Tensorflight	88%	Retool	107%	Databricks	67%
20x200	75%	Logixboard	103%	Chainalysis	67%
Famous (famous.co)	71%	TRM Labs	102%	OwnBackup	65%
SchoolTube	71%	Temporal	89%	Cribl	65%
Kopa (kopa.co)	71%	Anyscale	87%	Verkada	63%
Revelio Labs	71%	Tailscale	86%	Grafana Labs	61%
Flex (getflex.com)	68%	Stytch	84%	Sword Health	60%
One Model	66%	Anaconda	83%	Anduril (anduril.com)	58%
Funraise	65%	WorkOs	81%	Axonius (axonius.com)	56%
Remotion	64%	Placer.ai	79%	Sentry (sentry.io)	55%
OpenAI	63%	Persefoni	78%	Electric AI	53%

Table 5.1: Early stage companies exhibiting positive growth in employee count

Table 5.2: Early-growth stage companies exhibiting positive growth in employee count

Table 5.3: Growth stage companies exhibiting positive growth in employee count

*% Change in employee count

Conclusion

The COVID-19 pandemic significantly impacted the global tech sector, leading to a mix of job openings and layoffs. Private tech companies have faced reduced funding and increased scrutiny on cash flows, forcing them to readjust their hiring strategies.

However, the study suggests that private tech companies are adapting to the challenging market conditions by prioritizing critical roles and adjusting their hiring strategies. The demand for tech and engineering roles was relatively higher than sales and marketing positions. The report also identifies top tech companies that experienced job growth despite mass layoffs and job cuts, highlighting the resilience and agility of the industry.

About Synaptic

Synaptic helps investors get company insights by unifying a wide spectrum of alternative data on a single no-code platform. We cover alternative data points across various facets of business performance — such as web traffic, app reviews, employee and hiring data, product reviews, search trends, funding info, firmographics, and more. We unify data from proprietary and custom sources with a rich analytics toolkit, enabling more efficient ways to complete and complement the research workflow—from sourcing and tracking to due diligence of companies and sectors. We work with top Venture Capital firms, Private Equity firms, and Hedge Funds across the globe. For more information, visit www.synaptic.com

About LinkUp

LinkUp is the global leader in delivering accurate, real-time, and predictive job market data to the capital markets and corporations. We combine more than 20 years of experience in human capital management and employment data with proprietary technology that indexes millions of job listings daily directly from employer websites around the world. From this unique jobs dataset, we provide our clients with valuable, actionable insights into the global labor market at a macro, industry, geographic, and individual company level. Our clients include some of the most successful and sophisticated hedge funds, banks, and asset managers in the world. For more information, visit www.linkup.com

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