



TECH TRENDS 2024 REPORT

ROADS CONNECTING
THE TECH LANDSCAPE



A view through the forest.

The Silicon Forest, where the serenity of nature meets the pulse of tech innovation. This is where ProFocus Technology thrives, bridging the gap between talented tech professionals and the unique opportunities that our region offers.

Our 2024 report serves as a roadmap, helping guide you through the ever-evolving landscape of the Silicon Forest. Key focus areas include hybrid work, revenue investment, organizational alignment, and talent strategies. It's an opportunity to understand the ecosystem's current state and envision future advancements, including the influence of emerging technologies like AI and Machine Learning.

This view through the trees aims to inform and inspire improvements and innovation in your organization. Let's grow the Silicon Forest together.

John Boone | Founder & CEO
ProFocus Technology



Voices of the Silicon Forest.

The Silicon Forest, a hub of innovation in the Pacific Northwest with its heart in Portland, is evolving. This year's survey captures diverse views from the region's tech landscape, which ranges from dynamic startups to established giants.

We appreciate the Silicon Forest technology leaders and professionals who responded to ProFocus Technology's fourth annual survey. Thanks to our engaged tech community, we're able to share this snapshot of what's ahead for local employers and tech professionals in 2024.

The report examines strategic decisions in resource allocation, offering a chance to benchmark against local organizations. Let's get into it.

1 Outlook & Core Metrics

4 Talent Demands

2 Tech Trends & Innovation

5 Compensation Trends

3 Talent Challenges


6 Culture & Diversity

Please note, some figures in the report do not add up to 100 percent due to rounding or question design (e.g., the ability to provide multiple answers). Some participant quotes were edited for clarity and length.

1 2024 tech outlook: finding stability.

Oregon's vibrant information sector, spearheaded by the tech industry, is on a promising trajectory with an **anticipated job growth of 20% over the next eight years**.¹ This surge is particularly notable in sought-after, skill-intensive roles such as Information Security Analysts, Data Scientists, Quality Assurance experts, and Developers, where we expect to see an impressive 20-40% increase in demand by 2032.

The state's economy outperformed others in 2023, marking **Oregon as the fifth strongest in the nation** in terms of real GDP per worker, alongside steady productivity advancements.² Oregon celebrated a record low in unemployment rates in 2023, with the IT sector outperforming this benchmark. Despite a tough start in 2023 with significant job cuts and market concerns, the industry demonstrated resilience with tech unemployment remaining low at a local and national level.³

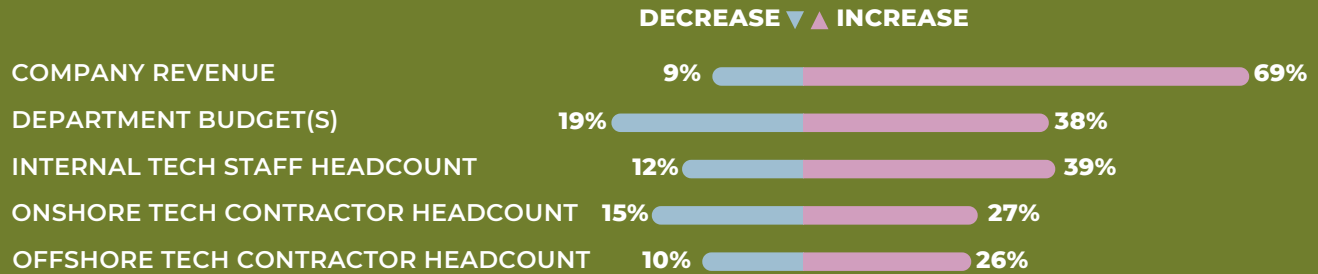


“We are seeing an increasing experimental adoption of AI and automation across a multitude of functions; increasing leasing activity/interest in new office environments (including in downtown Portland) that support hybrid work; and a rosier economic outlook for 2024 (with some caveats like Fed action on interest rates; geopolitical risk).

SKIP NEWBERRY | PRESIDENT & CEO
TECHNOLOGY ASSOCIATION OF OREGON

Growing optimism.

Expectations for core metrics



Revenue & headcount rise.

Compared to a year ago, there's a positive shift in financial and staffing growth expectations. 69% of leaders anticipate revenue growth (up from 57%) and only 9% expect a decrease. Budget projections are also improving, with 38% expecting increases (up from 33%).

Staffing trends show 39% of leaders predict a rise in internal staff while only 12% expect staff reductions (down from 18%). And over a quarter predict more onshore and offshore contractors (up by more than 5% from last year).

Anticipated revenue increases with steady budgets align with the top priority cited by leaders: efficiency.

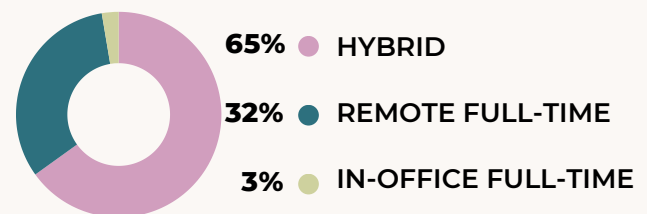
Stable growth in the forest.

After a period of rebalancing post-pandemic, 2023-2024 shows a trend towards stability in the tech sector. The bounce-back observed in 2021-2022 gave way to steadier growth, albeit with challenges like talent shortages and economic uncertainty. Leaders now anticipate consistency, with fewer expecting decreases in revenue, budgets, and headcount.

While revenue growth is expected, there's ambiguity about the departmental budget allocations. Overall, the outlook is cautiously optimistic with positive trends in financial and staffing growth, suggesting a stable yet dynamic future for the tech industry.

Hello hybrid.

Working arrangements



Where we work.

The Silicon Forest's work environment has seen a notable shift in the last year. The hybrid work model now dominates, with 65% of employees combining remote and in-office work, up from last year's 43%. Conversely, full-time remote work has dropped to 32% from 51%, while only 3% work exclusively in-office, a slight decrease from 6%. This aligns with the trend we have been seeing among organizations to bring people back into the office, at least part of the time.

2 A familiar roadmap: innovation & efficiency.

In the Silicon Forest, tech leaders are at the wheel, focusing firmly on leveraging tech and innovation for operational efficiency, enhancing customer experiences, and developing new services or products.

Our survey results highlight a misalignment of key tech priorities across organizations. While 90% of executives feel aligned, this consensus drops to 56% among managers and further to 43% at the contributor level. This suggests a need for Silicon Forest executives to bridge communication gaps, fostering stronger team alignment on these initiatives.

Roadmap to results. Top 5 initiatives for 2024

- 1 Increasing operational efficiency
- 2 Improving the customer experience
- 3 Bringing new services or products to market
- 4 Leveraging AI
- 5 Introducing/Improving enterprise platforms

“ You are in the vast minority if you don't have specific plans to upskill your workforce. Our data reveals 71% of leaders have plans to do so and I'm excited to see the growth of Silicon Forest companies as a result.

JENNIFER WALDRIP | CLIENT & TALENT SERVICES, PARTNER
PROFOCUS TECHNOLOGY



Trailblazing.

Up from the sentiment in 2023, over 50% of respondents feel their organization is a trailblazer, disrupting the tech industry through innovation. As we dive deeper into the forest, it becomes clear that perceptions about individual innovation get foggier.

While 90% of executives feel that employees are empowered to innovate, this sentiment decreases among Managers or Directors (63%) and Contributors/Team Leads (52%). Despite the variations, these overall positive results indicate technologists in the Silicon Forest can see a clear path to explore and innovate.

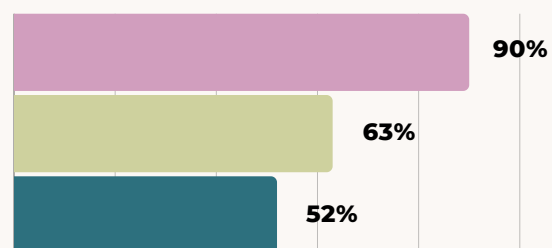
Similar to previous reports, the training, development, and upskilling terrain continues to be challenging and fruitful. Over 50% feel confident in their company's training and development, and 56% feel confident about their company's plans to upskill the workforce. It is important to note over 71% of executives claim they have plans to upskill their workforce.

National trends suggest renewed efforts to upskill with 59% of companies expecting to pursue training options compared to 41% expecting to explore new hiring.⁴ To avoid perceived roadblocks to professional growth, technologists and tech leaders must leverage middle management to align on their skills development goals.

There is an appetite for learning and innovation in the Silicon Forest and leaders shouldn't shy away from embracing this as the tech skills shortage continues to threaten progress.

Agree to disagree.

Employees are empowered to innovate



- EXECUTIVES
- MANAGERS
- CONTRIBUTORS

“The most interesting thing we are seeing is the growth in AI and climate-focused startups. Investment trends indicate capital will flow into these types of companies with a large emphasis on AI and ML; however, operational efficiency and a proven customer track record will be key drivers affecting investor interest in early-stage tech startups.

CARA TURANO | PRESIDENT & EXECUTIVE DIRECTOR
OREGON ENTREPRENEURS NETWORK



AI & machine learning: front-seat passengers, not drivers.

Leaders continue to keep enhancing efficiency, enriching the customer experience, and developing new services in the driver's seat of their operations. While AI technologies are a hot topic, their **application is still in the early stages**. Usage varies widely, ranging from individual-level application to strict 'no AI' policies pending further vetting. Popular tools like ChatGPT, GitHub Copilot, DALL-E 3, and Asana are frequently mentioned, highlighting their emerging role in the tech landscape. Nationally, 56% say they are either experimenting with today's AI solutions in some way or they have begun researching and evaluating the tools for potential future adoption.⁴

Tech leaders, when discussing how generative AI will aid in achieving their objectives for the coming year, show diverse strategies. Projects like OpenAI models and AI for language processing indicate a drive towards efficiency and creative automation. Practical and user-focused tech solutions are also part of the convoy, with projects like electronic medical records, virtual educational platforms, and AI-powered client support tools illustrating a commitment to societal and customer enrichment.

3 Navigating tech terrain: talent roadblocks

In the Silicon Forest, tech talent management navigates a landscape where seasoned talent is in high demand due to low unemployment rates and an evolving workforce. An abundance of entry to mid-level professionals with essential soft skills and technical knowledge is noted, yet companies still have difficulties securing the talent they need with 42% of leaders say their top struggle in getting talent in the door.

Goal gridlock.

42%

LEADERS SAY THEIR TOP CHALLENGES ARE FINDING TALENT AND GETTING THEM TO ACCEPT OFFERS

Top talent challenges.

Looking exclusively at leaders surveyed, 25% pinpoint talent acquisition as their top challenge, illuminating a skills gap and a quest for high-quality tech professionals. Trailing this challenge is talent retention (21%), emphasizing the importance of nurturing and keeping skilled employees in a competitive market and emerging technologies.

Upskilling emerges as the third major challenge for 20% of leaders, underscoring the necessity of continual learning to navigate the evolving tech topography. Efficient onboarding, highlighted by 18% of leaders, is crucial in integrating new talent into the organizational culture and workflow.

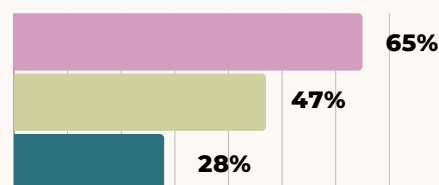
Grinding gears.

Meanwhile, 17% of leaders signal hurdles with candidates accepting job offers as their main challenge, reflecting the complex dynamics in a market where multiple offers are common.

The data reveals differing views on how turnover-related unfilled tech positions impact their firm. Most executives (65%) don't see it as a significant issue, whereas only 23% believe it is. At the ground level, opinions are more divided among contributors, with 28% not considering it a problem and 30% acknowledging its impact, suggesting that those closer to the work feel the effects of turnover more strongly.

Unfilled tech roles.

Disagree that turnover is an issue



- EXECUTIVES
- MANAGERS
- CONTRIBUTORS

“ We have very ambitious goals, increasing our revenue projections by 77% over our 2023 numbers, and our tech budget has more than doubled in 2024. We have a massive need to hire well, onboard, and train new talent to solve for our organizations top challenges.

PETER KIM | EXECUTIVE DIRECTOR OF TECHNOLOGY
THE CONTINGENT



Finders not always keepers.

Top talent challenges by role

- FINDING TALENT
- RETAINING TALENT
- ACCEPTING OFFERS
- ONBOARDING
- UPSKILLING

MANAGERS & LEADERS



INDIVIDUAL CONTRIBUTORS

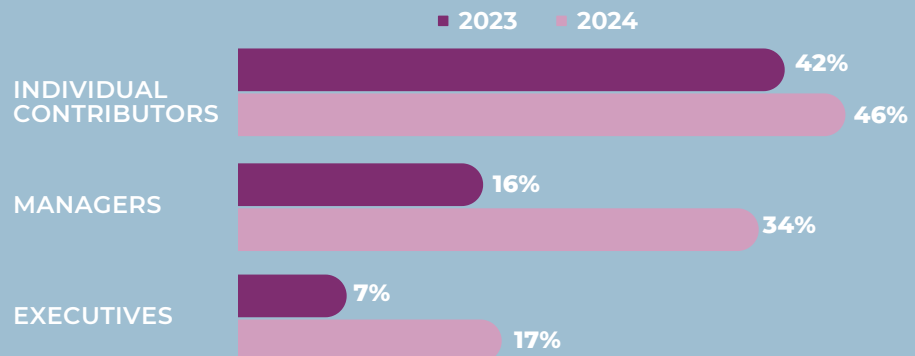


4 Talent at the wheel: the PNW workforce.

In 2024, a notable percentage of tech professionals are contemplating a change. Among executives, 17% are actively looking for new opportunities, a jump from 7% last year, while 30% are open to changes and 53% are not planning to switch lanes. For managers and directors, the interest in new jobs is even higher: 34% are searching for new roles (up from 16% in 2023), and 28% are open to a detour but not looking. The most active group is Contributor/Team Leads, with 46% looking for new jobs and 32% open to them. **What are technologists looking for in their careers that their current road doesn't offer?**

Stay or go?

Actively seeking a job change



Top talent demands.

Looking ahead, compensation still reigns supreme in attracting and retaining top talent, with over 88% of tech pros rating it as very important or the highest priority. This outpaces other factors like remote work and career advancement.

When it comes to flexible hours, nearly half consider it very important, with few rating it as their highest priority. Remote work also ranks high, with a fourth of respondents giving it top priority.

*Flexible hours are not just a perk, they are a necessity. However, we must **balance this flexibility with the concern of overwork**, employees are already raising alarms about this issue. Striking this balance is key to nurturing a healthy, productive, and innovative tech environment.*

SABY WARAICH | CHIEF INFORMATION OFFICER
& CHIEF INFORMATION SECURITY OFFICER
CLACKAMAS COMMUNITY COLLEGE

“ The significance of flexibility in working hours, coupled with remote or hybrid work schedules, has grown substantially for both current employees and prospective candidates when considering job offers. Post-COVID, job negotiations now prominently feature discussions around work arrangements, often rivaling or even surpassing the importance traditionally placed on compensation negotiations.

LINU PARAPPILLY | PRESIDENT
SIM PORTLAND CHAPTER

Talent in the driver's seat.

Top 5 talent attraction and retention factors

- 1 Salary/compensation
- 2 Remote work
- 3 Meaningful/interesting work
- 4 Flexible hours
- 5 Career development/advancement



5 Compensation trends: tech in the fast lane.

The road of tech compensation reveals scenic views and intriguing twists. Oregon, a vibrant hub in this landscape, is home to around 140,000 tech workers, with the median tech salary at a noteworthy \$97,171, outpacing the state's median by 115%.⁵ Across the border, Washington, with its 360,000+ tech workers, adds significantly to the Silicon Forest, boasting a 34% growth in tech employment over the last decade.⁶ Nationally, the tech salary growth rate has shifted to cruise control, with a modest average increase of 2%, indicating a steady drive towards stabilization in IT pay after the rapid acceleration of the past few years.⁷ According to IT professionals in the Pacific Northwest, **expect upward pressure for tech worker compensation but not at the levels we've seen in years past.**

Easing off the gas.

Survey insights unveil a dynamic compensation terrain in the PNW tech sector. Nearly half of tech leaders are mapping out routes for increased team compensation likely aiming to tackle top challenges in talent attraction and acceptance of offers.

While 46% believe their companies offer competitive pay, a substantial proportion see room for improvement or are unsure about their market positioning.

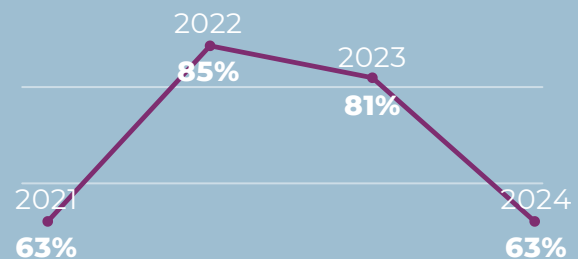
Leaders also report the pressure to raise wages isn't as steep as before, with 63% reporting upward wage pressure, compared to a higher 81% last year. Wage pressure seems to be easing off the gas but that hasn't deterred leaders from paying tech talent what they are worth and staying competitive.

Staying the course.

Overall, the future of tech compensation is a journey balancing growth, stability, and market positioning; and Silicon Forest leaders are staying the course.

Wage pressure.

Slowing speeds, but still miles to go



LEADERS REPORTING THE PRESSURE TO RAISE WAGES YEAR-OVER-YEAR

Team compensation increase

48%

LEADER PREDICTIONS

26%

CONTRIBUTOR PREDICTIONS



Workforce insights.

PNW predictions and perspectives

4%

EXPECT A
DECREASE IN
HOURS
WORKED

54%

EXPECT
UPWARD
WAGE
PRESSURE

46%

AGREE THEIR
FIRM HAS
COMPETITIVE
PAY

6 Beyond the desk: mapping company culture.

The Silicon Forest earns impressive marks with over 60% saying their company excels as a workplace for tech professionals. While instances of negative perceptions are minimal, a significant portion remain neutral (27%).

“Retention and the 'grass is greener' risk looms large with a significant number of technology professionals feeling neutral about their current workplace.

JAMES LUND | PRESIDENT, PARTNER | PROFOCUSTECHNOLOGY

Road to burnout.

The tech workforce weighed in on another critical challenge: burnout. An impressive 79% agree that their firm manages burnout well, but only 8% rank their firm as excellent. It might surprise some to learn that an excellent **work-life balance doesn't necessarily prevent burnout.**

In smaller firms, over half the employees rate their work-life balance as 'excellent', yet over half still report average/poor burnout levels. Similarly, in large firms, two-thirds rate them as 'good or excellent' for work-life balance but still see a third fatigued by burnout.

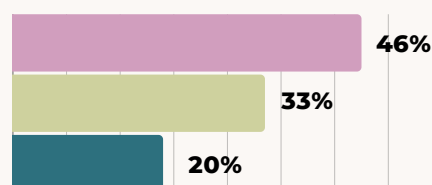
Leaders must consider what else contributes to burnout like workload, perceived lack of control, rewards, sense of community, and fairness. These cornerstones of culture must be explored to truly understand an organization's identity.

Navigating with care.

The data indicates that overwork is a significant concern in tech teams, especially from a leadership perspective. About 46% of leaders recognize that their teams are facing heavy workloads. In contrast, 20% don't see overwork as an issue, while a substantial 33% remain undecided, suggesting diverse experiences or uncertainty about workload intensity. This underlines a key challenge in managing workloads effectively in tech environments.

Overdrive.

Are tech teams overworked



- CONCERNED
- UNSURE
- NON-ISSUE

“ Most businesses are struggling to find consistent alignment across their organizations, which has led to the "year of efficiency" approach with layoffs and other sharp instruments. In 2024, Silicon Forest leaders have a unique opportunity. Balancing **the alignment of organizational goals with a genuine investment in their people is key.**

Those who incorporate preventative strategies are set to make significant strides this year, both in business achievement and building strong, more cohesive organizations.

JIM D'ANGELO | FOUNDER
HEARTWIRED CONSULTING LLC

**Building
loyalty and
engagement.**
Cultural trends

89%

SUPPORT
WORK-LIFE
BALANCE

79%

MANAGING
BURNOUT

83%

MAINTAIN
A STRONG
CULTURE

Diverse Routes.

For 2024, while over half of respondents see DEI efforts continuing their current track, opinions vary, reflecting a landscape with diverse routes but a shared destination of inclusivity and equity.

When asked what DEI initiatives are most valuable, tech professionals shared we must ensure **“our workforce is as diverse as our customer base. It's far from it.”**

Others admitted uncertainty, with one leader stating, *“Oftentimes, those most familiar with the workspaces we occupy can be blind to the inaccessible structures or processes that limit inclusivity, or ways we’ve fallen into inequitable patterns. Awareness and continual work are key to success.”*

Responses indicate the ongoing nature of DEI work, suggesting that it requires continuous improvement and adaptation.

In the Silicon Forest, the journey of DEI programs varies across organizational levels. Here’s what respondents are focused on for 2024:

Executives focus.

Equal opportunity hiring and workforce diversity.

Management focus.

Inclusivity on their teams and mentorship opportunities.

Contributor focus.

Creating belonging and empowering diverse voices.

Progress in PNW.

DEI programs & initiatives

57%

PREDICT DEI EFFORTS TO STAY THE SAME

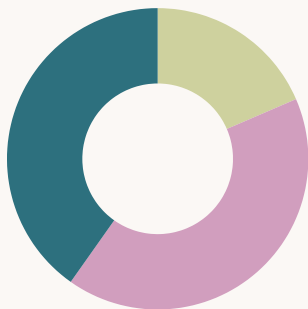
Bigger than tech.

When asked about **favorite local charities and non-profits**, the Pacific Northwest was quick to show up and show love for the organizations they support. This strong community engagement reminds us of the wide-reaching impact of the tech sector.

American Cancer Society	Friends of Trees	Operation Nightwatch	SCRAP PDX
Animal Aid	Global Mentorship	Oregon Humane Society	Share Vancouver!
Arco Iris School	Habitat for Humanity	Outside In	Skyview Robotics
ClimbHire	Hands On Portland	Women In Technology	SIM
CodeForPDX.org	Human Rights Campaign	POIC + RAHS	Sunshine Division
Don't Shoot PDX	Idaho Food Bank	Portland Frontrunners	TAO
Dress for Success	KMGF	PMR	The Contingent
Ducks Unlimited	Living Lucid	Portland Q Center	The Salem Kroc Center
Eastside Portland Lacrosse	MEDP	Post 58	Three Little Pitties Rescue
Family Forward!	Nature Conservancy	Proud Ground	Tryon Creek
Forest Park Conservancy	New Avenues for Youth!	Red Cross of Oregon	Up and Out, Inc.
FISH	NRDC	Relay Resources	Urban Cleaners
Friends of the Children	Only7Seconds	Rose Haven	Venture Partners
Friends of the Gorge	Open Eugene	Schoolhouse Supplies	

Survey demographics.

The 2024 *Silicon Forest Tech Trends Report* is based on 191 responses to an online survey of Pacific Northwest technology professionals conducted between October 3 and November 14, 2023.



Job level.

19% ● EXECUTIVE
41% ● MANAGER OR DIRECTOR
40% ● CONTRIBUTOR OR TEAM LEAD

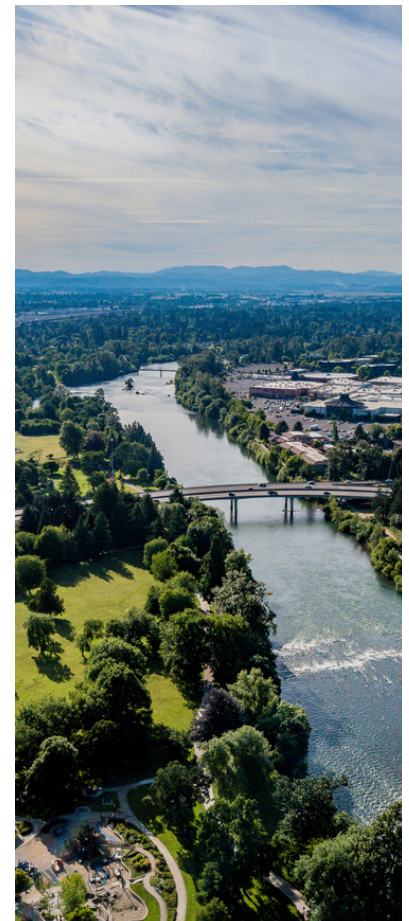


Business size.

31% ● SMALL (1-100 EMPLOYEES)
19% ● MIDSIZED (101-500)
27% ● LARGE (501-5,000)
23% ● ENTERPRISE (5,000+)

Endnotes.

- 1 <https://www.qualityinfo.org/-/oregon-jobs-projected-to-increase-10%25-by-2032?redirect=%2F>
- 2 <https://oregoneconomicanalysis.com/2024/01/03/2024-outlook-oregon-economy/>
- 3 <https://skills.ai/tech-layoff-analysis/>
- 4 <https://www.comptia.org/content/research/it-industry-trends-analysis>
- 5 <https://www.cyberstates.org/>
- 6 <https://choosewashingtonstate.com/why-washington/our-key-sectors/>
- 7 <https://www.prnewswire.com/news-releases/2024-tech-hiring-and-it-salary-trends-how-to-evolve-in-a-tech-talent-market-in-flux>





TECH TRENDS 2024 REPORT



Let's connect.

Have questions about the report or want to know more? We'd love to hear your perspective on local tech trends.

Info@ProFocusTechnology.com
ProFocusTechnology.com



ProFocusTechnology.com | Info@ProFocusTechnology.com | (503) 236-2000
10200 SW Eastridge Street, Suite 100, Portland, OR 97225