Workforce Report

Our data and insights support your recruiting success.

June 2026 – Spotlight on tech hiring

The big picture

Leaders are pushing for growth just as talent markets start to shift.

U.S. employer demand is moving up again, but the funnel has not kept pace. ICIMS data shows openings rising faster than both applications and hires, which is creating a growing backlog of unfilled roles. The May ADP report supports this view, with May delivering the strongest payroll gains since January 2025 and 122,000 jobs added. These signals show that hiring is returning but in an uneven way that is not yet broad or fast enough to clear existing demand.

EMEA tells a different, but related, story. ICIMS data shows openings are up 17% year-over-year, application volume is up only 4% and hiring is down 7%. The data points to a widening execution gap rather than a simple shortage of roles or candidates. The region is not suffering from an absence of demand. It is struggling to convert that demand into filled seats at the pace the business now expects.

This month, we are taking a closer look at tech hiring. Even in a mixed hiring environment, demand for Software Developers continues to signal where organizations are placing their biggest technology bets. While the headlines discuss massive layoffs in the tech industry, other sectors are using this as an opportunity to upskill their technology innovation efforts.

TOP FINDINGS

U.S. demand continues to outpace hiring, with an increase of 9% in openings year-over- year while hiring stays flat for the second consecutive month.

17%

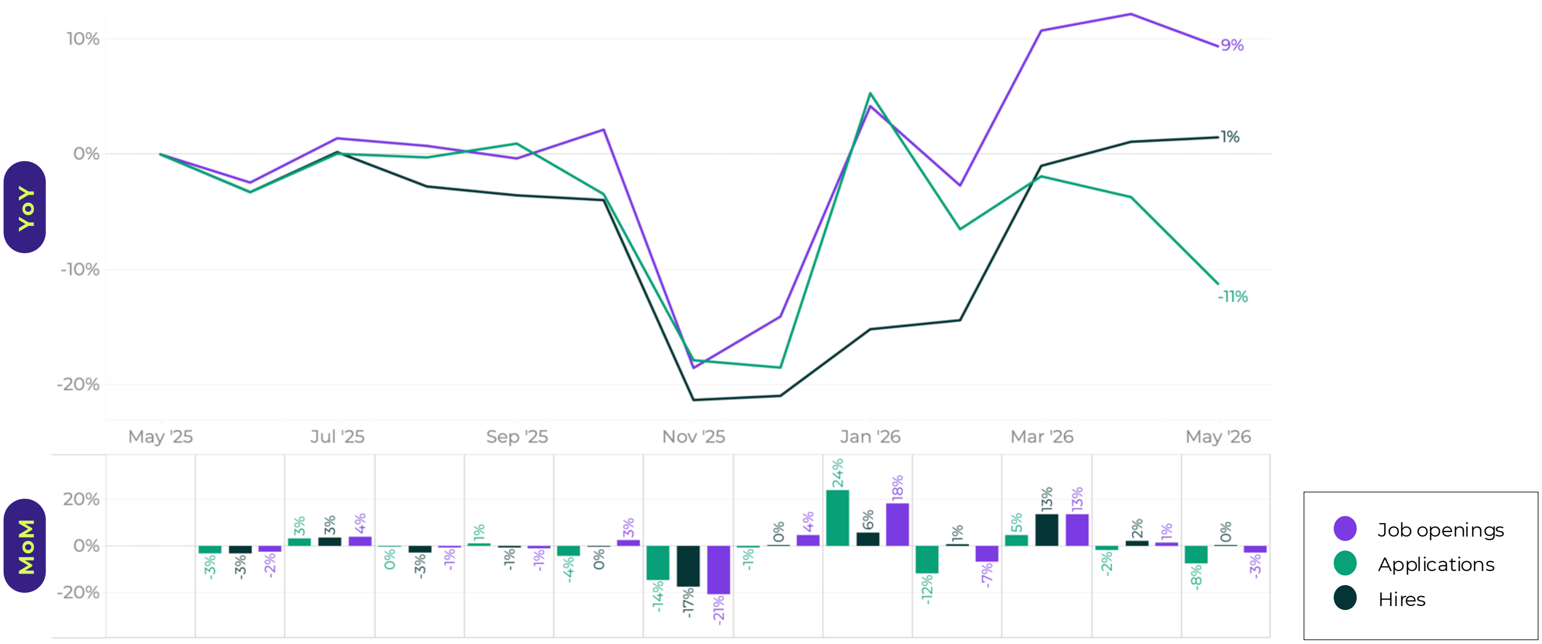
In EMEA, job openings jumped to 17% higher over the 12-month rolling period. Concerns continue as both hiring and applications struggle to keep up.

Computer programmers saw a 35% increase in job openings since May of last year followed by software developers at 28%

ICIMS Insights Workforce Reports monitor monthly labor market activity based on hundreds of millions of applicants and millions of users. Organizations can use this data as a measuring stick to anticipate and adapt to ever-changing workforce dynamics.

Openings stay hot as applications cool off

U.S. PLATFORM INDICATORS | Job openings, applications and hires | May 2025–May 2026



ICIMS INSIGHTS QUICK TAKE: The gap between hires and openings continues to widen.

MARKET UPDATE

The market is heating up, but the talent engine is not keeping pace. Over the last three months, job openings have consistently trended above baseline, with May coming in 9% higher than the May 2025 baseline. With the exception of a brief dip in February, employers have steadily added more open roles, signaling increased business demand and an appetite to grow headcount.

Hiring, however, is not matching that level of demand. After a sharp decline in November 2025, hiring has struggled to recover and has only managed to rise above baseline in April and May and even then, just 1% above. This creates a meaningful gap between organizational hiring expectations and execution, suggesting that companies want to add talent faster than their current recruiting capacity and market conditions allow.

A major driver of this gap is the sustained drop in candidate applications. Application volume is now 11% below baseline last May, continuing a decline that started in February.

With fewer candidates entering at the top of the funnel, recruiters are expected to meet ambitious hiring targets from a shrinking pool, forcing organizations to rethink how they source, attract and convert talent.

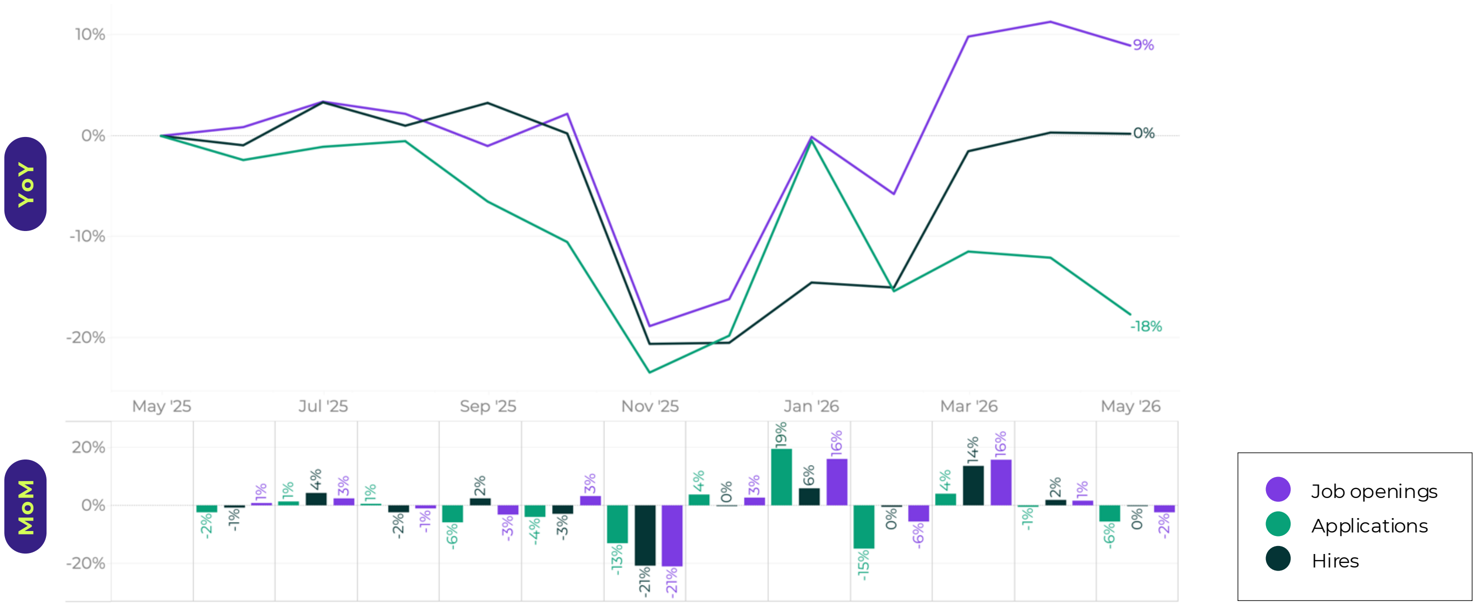
STRATEGY

When applicant volume is shrinking, the fastest win is to unlock more value from candidates you already know. Treat silver medalists and near-misses as a primary pipeline and keep them warm with simple, always-on nurture: targeted content, brief updates and occasional invite-only touchpoints so you are never starting from zero when a new role opens.

Make speed a differentiator. For priority roles, find and remove inefficiencies, enforce tight SLAs and use real-time scheduling so candidates do not drift away. Then let data tell you where to focus. Find the roles, levels or geographies where the gap between openings and hires is widest and build bespoke playbooks for those segments.

Frontline hiring mirrors the national trend, with one exception

FRONTLINE PLATFORM INDICATORS | Job openings, applications and hires | May 2025–May 2026



ICIMS INSIGHTS QUICK TAKE: Frontline openings remain high while application volume declines.

MARKET UPDATE

Frontline hiring trends in May align with the overall U.S. labor market, with one exception: application volume.

Over the past 3 months, frontline openings increased and ended the period in May 9% above baseline (May 2025). Unfortunately, hires stayed flat. The verdict? Employers are posting more frontline roles and converting just enough to hold the line on staffing rather than rebuild it.

A major gap to consider is the sustained drop in candidate applications. Application volume was 18% below baseline in May. Some of this could be attributed to the uptick in hiring in March, but it could also reflect ongoing labor supply challenges, skills mismatches or increased competition for frontline workers, as volatility continues in the market.

With fewer candidates entering at the top of the funnel, recruiters are expected to meet ambitious hiring targets from a shrinking pool, forcing organizations to rethink how they source, attract and convert talent.

STRATEGY

Start by treating past candidates as a true bench for critical roles, not a backup list. Silver medalists and near-misses should get the first call, first look and earliest interview slots when a role opens. A best practice is to leverage occasional targeted updates and “thought of you for this” outreach to this candidate pool to keep them engaged.

Then sharpen, rather than expand, the top of the funnel. Focus sourcing on a few high-impact segments and test what converts including clearer titles, stronger opening lines in postings and role-specific landing pages that speak directly to why someone like them should move now.

Finally, deliberately activate internal talent. Run short, targeted referral sprints around frontline and hard-to-fill roles, giving employees a clear focus, simple referral paths and visible recognition so referrals become a dependable source of qualified candidates when external applications are thin.

Hiring slows down as openings pick up

EMEA PLATFORM INDICATORS | Job openings, applications and hires | May 2025–May 2026

ICIMS INSIGHTS QUICK TAKE: EMEA openings and hiring part ways.

MARKET UPDATE

Over the past year, EMEA openings increased by approximately 17%, indicating a rise in underlying talent demand. This increase in requisition volume sets the context for the rest of the funnel: more roles are being created and pushed to market than a year ago.

Application declined to 4% over the same period, which is materially slower than the growth in openings. This imbalance suggests that candidate interest and availability are not keeping pace with demand, creating a smaller pool of applicants per open role.

Despite higher demand and modestly higher application volume, hiring finished 7% below baseline.

Together, these three data points point to an execution gap: organizations are opening more roles, attracting only slightly more candidates and ultimately converting fewer of them into hires than before.

STRATEGY

With openings growing faster than hires, teams need to re-align recruiter capacity and priorities to the parts of the business driving that 17% increase in demand, not spread effort evenly across all requisitions. This includes sharper intake, tighter role prioritization and regularly re-scoring roles so effort follows value, not noise.

A 4% increase in applications against a 17% increase in openings means the primary lever is conversion, not more sourcing activity. EMEA teams should focus on reducing process friction, using technology to help accelerate shortlisting and tightening decision SLAs so a higher percentage of existing applicants convert to hires.

The 7% decrease in hiring, alongside higher demand, points to an execution problem more than a market problem. Moving to sprint-based recruiting supported by real-time funnel analytics could give leaders the ability to course-correct quickly by reallocating effort.

Tech hiring in a contradictory market

Tech hiring in 2026 is sending mixed signals. Official labor data and layoff announcements show continued pressure on parts of the sector, yet ICIMS data and broader payroll reports indicate that demand across industries for certain tech skills remains strong. The question is no longer whether tech hiring is up or down in aggregate, but where talent is being hired and which roles and profiles are driving that demand.

According to [Challenger, Gray & Christmas](), an outplacement and labor-tracking firm, U.S. tech companies announced 38,242 job cuts in May, the highest monthly total for the sector in two years. This brings the total announced tech cuts for 2026 to 123,653, a 65% increase over the same period last year. Across the broader private sector, however, job-cut announcements are down 7% year-over-year, which shows that this is a tech-specific correction, not a universal downturn.

Our role-level data reinforces that this is a story about operational and applied technology, not speculative projects. The fastest-growing tech occupations include Computer Programmers, Software Developers, Database Administrators, and Computer and Information Systems Managers.

The data describes a market that is pruning at the top while still investing heavily in applied technology. Big Tech layoffs and slower growth in some information roles are releasing experienced talent back into the market, but the hiring that is happening is concentrated in specific sectors and roles.

"The tech layoff headlines can be jarring, yet they mask an important shift: tech talent is moving from a handful of large providers into the broader economy. ICIMS data shows which sectors are most eager to capture that talent and where the next wave of tech-driven growth is likely to emerge."

TRENT COTTON
Head of Talent Insights,
ICIMS

Which sectors are hiring tech talent?

INSIGHT

Over the past year, healthcare and manufacturing have increased tech hiring by 8% and 4%, while finance has pulled back by 22%.

Healthcare is scaling digital transformation at speed. From AI-enabled diagnostics to modernized patient data systems and workforce optimization, organizations need experienced technologists who can build secure, compliant and scalable solutions in high-stakes environments.

According to the Bureau of Labor Statistics, employment for medical records specialists, a core health information role, is projected to grow 7% from 2024 to 2034, which BLS classifies as much faster than average. Across healthcare occupations overall, BLS expects about 1.9 million job openings per year through 2034 as the sector continues to digitize and expand.

Manufacturing is leaning into automation and smart factory investments. As production becomes more software-driven, companies are hiring engineers and technical talent who can connect AI, robotics and real-time data systems to improve efficiency and resilience across operations.

Finance is moving in the opposite direction. Ongoing cost pressure, regulatory complexity and a shift toward efficiency over expansion have slowed tech hiring. Many firms are prioritizing optimization of existing systems rather than building new ones, which reduces the need for net new talent.

The market result is a redistribution of tech talent across industries, driven by where AI and digital investments are growing .

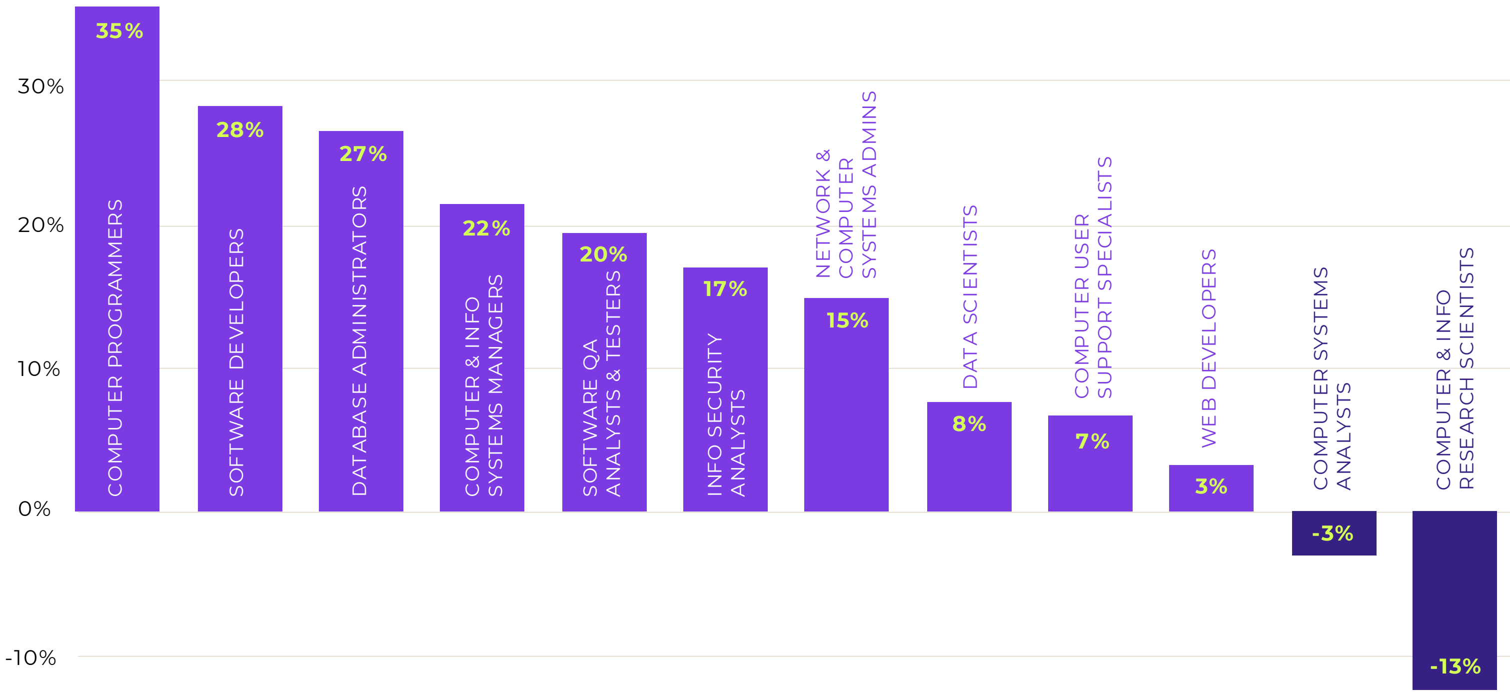
TECH HIRING BY SECTOR

Since May 2025

Healthcare	Manufacturing	Technology	Finance
+8%	+4%	+3%	-22%

Is AI changing what's hot in tech jobs?

TECH HOT JOBS | % GROWTH YoY



ICIMS INSIGHTS QUICK TAKE:
As layoffs continue across the tech sector, our data shows that demand is accelerating for the roles that build, support, and secure AI and digital systems

How AI is changing tech hiring

AI is reshaping how companies think about tech work, but it has not eliminated the need for tech talent. We have seen high profile layoffs in software, platforms and other information industries this year which shows up in official labor statistics as job losses in parts of the tech sector.

That context raises a simple question: if some tech roles are being cut, where is tech talent still being hired?

Where the growth is

ICIMS data makes one thing clear: hiring momentum is concentrated in the roles that build, run and secure AI systems.

Software Developers, Computer Programmers, Database Administrators and Computer and Information Systems Managers are among the fastest growing titles. These roles are critical to the AI transformation. They turn strategy into systems that actually scale.

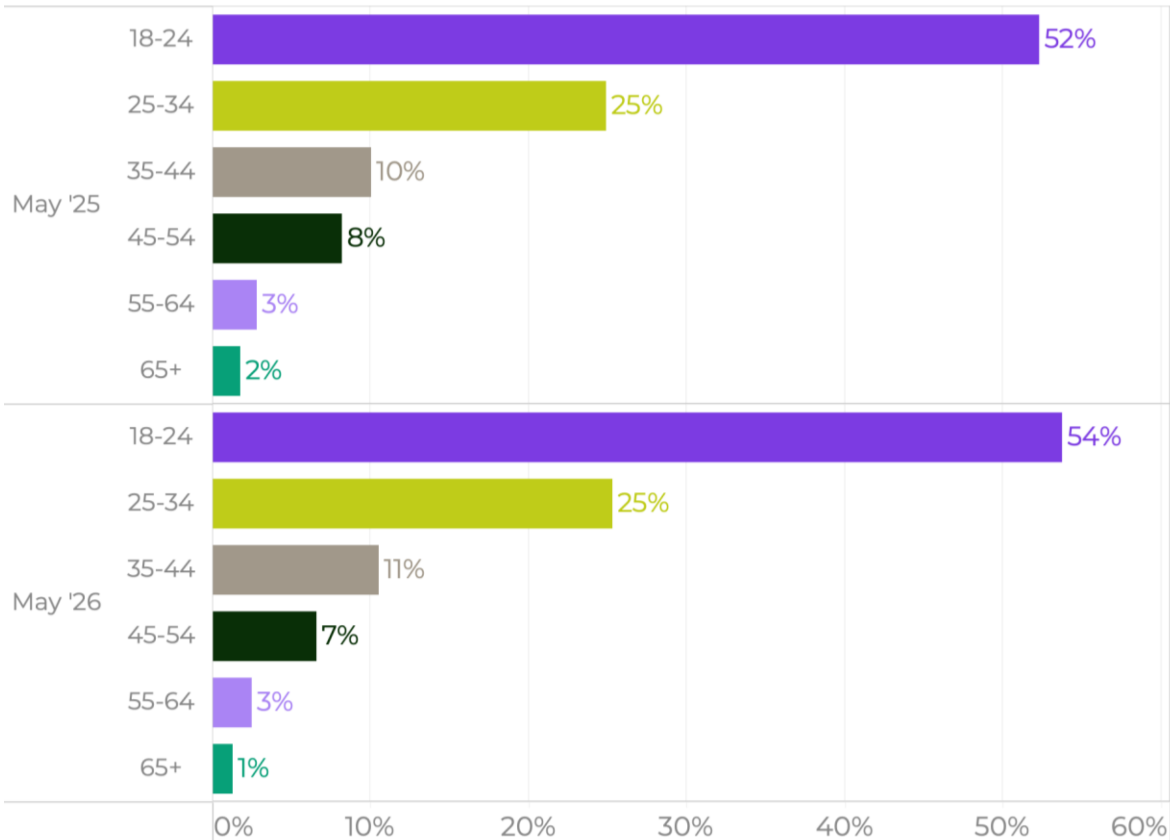
At the same time, demand is increasing for the roles that keep those systems stable and secure. Software Quality Assurance Analysts and Testers, Information Security Analysts, and Network and Computer Systems Administrators are all seeing strong year-over-year growth.

This matters for two reasons. First, it shows that AI investment is not just experimentation. It is driving sustained hiring across the full technology stack. Second, it helps explain why workers laid off from traditional tech companies are being absorbed into other sectors. Industries outside of Big Tech are building their own AI and digital capabilities and they need experienced talent to do it.

The talent is not disappearing. It is being redistributed to power a broader wave of AI adoption.

Has the generational mix in the talent pool for tech changed?

TECH APPLICANTS BY AGE



Early career talent continues to dominate the tech applicant pool, and the shift is accelerating. Candidates aged 18 to 24 account for more than half of all tech applications. The generation before, those aged 25 to 34, added another quarter on top of that. Together, they represent four out of five applicants, which means most of the people raising their hands for tech roles are at or near the start of their careers.

This tilt toward early career talent gives employers a powerful advantage if they are ready to invest in development. It is easier to hire for potential, build skills on the job and shape how these candidates work with AI and new tools from day one.

The relatively small share of mid-career and later career applicants is a warning sign. Without deliberate outreach and tailored value propositions for experienced technologists, teams risk becoming bottom heavy. They will have fewer people who have navigated large transformations or run systems at production scale.

For leaders, the priority is balance. Early career programs, apprenticeships and skills-based assessments can help capture and grow this large pool of junior talent, while differentiated offers for seasoned engineers and specialists can keep critical experience in the mix. The organizations that do both well will have benches that are both deep and strong, instead of relying on a narrow band of early career candidates to carry an increasingly complex tech agenda.

AI in hiring: A cross-generational trust gap

The One Universal Agreement: Across every single generation, the top perception of AI in hiring is a lack of trust. "I don't trust it – It feels too impersonal" is the number one response for Baby Boomers (35%), Gen X (34%), Millennials (32%) and Gen Z (37%).

However, the generations split dramatically on why they dislike it and how much they understand it:

GEN Z (18-27)

- **Worried** AI will replace human judgment
- **Fears** bias and unfair decisions
- **Concerned** about privacy
- **Feels** AI makes the process impersonal

MILLENNIALS (28-43)

- **Understands** how AI works in hiring
- **Worried** about bias in algorithms
- **Values** transparency and accountability
- **Believes** human oversight is still essential

GEN X (44-59)

- **Sees potential** benefits but needs proof
- **Questions** on how decisions are made
- **Wants** human involvement at key stages
- **Open** to AI with clear guardrails

BABY BOOMERS (60+)

- **Unsure** how AI is used in hiring
- **Lacks clarity** on benefits or risks
- **Needs more** education and real-world examples
- **Prefers** human-led decisions

PERCEPTIONS OF AI IN HIRING

% of candidates selecting each perception

	GEN Z	MILLENIALS	GEN X	BABY BOOMERS
I distrust AI in hiring	37%	32%	34%	35%
I'm concerned about bias	21%	24%	21%	10%
I see potential benefits	7%	11%	6%	7%
I trust AI in hiring	14%	16%	18%	15%

FROM INSIGHTS TO IMPACT

Tailored takeaways

Whether you lead people, run operations or shape strategy, you can use these insights to align teams, reduce friction and move faster on your goals.

FOR THE Talent Leaders

- **Use prioritization to manage volume.** As openings continue to increase, now is the time to work with hiring managers to prioritize which roles require the most focus. This will help TA leaders restructure the capacity on the team to fill roles faster.
- **Rethink candidate experience.** AI presents numerous opportunities for efficiency, but it must be met with a balance in the human experience. Candidates understand AI is the new normal, but they still want to feel valued during the recruiting process.

FOR THE CHROs

- **Develop a tech talent strategy to prepare your organization for AI.** This is the moment to raise the bar for critical roles, refresh outdated job architectures and swap legacy skill sets for AI-adjacent ones rather than doing one-for-one replacements. Anchor those choices in a clear skills framework so TA knows exactly what “better” looks like.

FOR THE CXOs

- **Break the CHRO-CIO-CFO silo.** Set shared targets for filling priority tech roles and for redeploying internal talent into AI-related work. Give tech and data leaders direct input into hiring decisions and budget trade-offs so you are funding the skills that matter most, not just the loudest projects.

Want more great insights?

ICIMS State of Frontline Hiring Report

Frontline roles are the backbone of our workforce, but hiring for them continues to be challenging. Based on fresh data from over 2,000 frontline workers and hiring managers across healthcare, hospitality, manufacturing and retail, our **State of Frontline Hiring Report** uncovers why companies are struggling to fill roles.

ICIMS State of the CHRO Report

The role of HR has never been more strategic. Learn how 1,000 CHROs and chief people officers are navigating the shift and how 500 CIOs see HR navigating TA tech in the **ICIMS State of the CHRO Report**.

The Definitive Guide to AI Adoption in Talent Acquisition

69% of companies are using AI to hire. Only 18% use it throughout the recruiting process. Find out where your team stands. Get the full **Definitive Guide to AI Adoption in Talent Acquisition.**

About ICIMS

ICIMS is the talent acquisition platform that unites the strengths of enterprise software with the transformative power of AI.

Workforce data is vital to driving business forward.

ICIMS Insights provides data that is:

- Current
- Cross-industry
- Dual-focused on employer and job seeker intentions and activity

Data derived from:

3.1M+ global platform users

691M+ candidate profiles

~243M applications

5M+ hires

Visit icims.com to learn more.

Data Breakthrough Awards:
2026 Overall Data Science Solution of the Year