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# Tech Talent Access: U.S.

A Guide to Hiring Talent in the World's Premier Tech Hub



## Table of Contents

The U.S. talent market at a glance	3
What makes the U.S. the kingmaker of technology?	4
What areas do U.S.-based tech workers specialize in?	7
Top U.S. hiring hubs	8
Why tap into the U.S. tech talent pool?	12
Compliance challenges	13
Potential hiring challenges to look out for	16
What our experts say	17
Where G-P comes in	18



## The U.S. talent market at a glance

The U.S. accounts for [35%](#) of the world's technology market and has an estimated 5.5 million workers in the sector. Behind only the healthcare industry, the [tech industry drives the economy](#) even more than construction, retail, and non-durable manufacturing. Despite ongoing concerns about a global economic recession, enterprise technology spending is expected to remain strong. According to [Oxford Economics](#), U.S. business spending on enterprise technology will increase GDP from 7.2% to 8.3% by 2030.

With a track record of humanity-changing inventions – like the [telephone](#), the [light bulb](#), and the [airplane](#) – under its belt, the U.S. has long been recognized as the leaders of technological innovation. As a result, the nation has produced world-renowned tech companies, such as [Apple](#), [Microsoft](#), [Google](#), and [Amazon](#). Naturally, with great potential comes great demand, and numerous multinational companies are eager to tap into the large and dynamic pool of tech talent in the U.S. However, like any thriving international talent pool, accessing the U.S. market presents complex challenges, from juggling federal and state laws to the unique at-will employment culture.

As leaders in the global growth technology category, we've learned that people are the key to high-growth success. Our decade-long experience in the tech sector, along with our global employment expertise, has equipped us with insider knowledge to help your company tap into the world's most prestigious tech talent market. In this guide, you'll discover the leading and emerging talent hubs across the U.S., an overview of the local business culture, and potential hiring challenges to look out for.



# What makes the U.S. the **kingmaker of technology?**



## University breeding grounds

One contributing factor that makes the U.S. a fertile ground for tech startups is the country's abundance of universities and research institutions – [over 4,000 in total](#). Universities like Stanford, Caltech, and MIT are synonymous with tech development, the latter being famous for its [robotics program](#). Moreover, the U.S. has a reputation of being the land of opportunity, where anyone can make it if they work hard enough.

As a result, some of the best minds in the world have gravitated toward U.S. shores to attend these universities. Many brilliant professionals from different countries come to the U.S. to study, work, and contribute to the tech industry.

### Key fact:

Over [90%](#) of Chinese AI undergraduates who move to the U.S. for their Ph.D. stay in the U.S. after graduation, further enriching the nation's domestic tech talent pool.

## The almighty dollar

The country's well-developed financial system positions it to provide capital for upcoming entrepreneurs and innovators. It is no coincidence that the U.S. is home to one of the most recognizable streets in the world: Wall Street, an international symbol of finance and investment.

Plenty of cash is always available to fund a good business idea in the U.S. For example, OpenAI, the company behind ChatGPT, had already raised [USD 1 billion](#) before officially launching in 2015. Additionally, some of the most famous venture capitalists in the world reside in the U.S., such as [Peter Thiel](#), the first outside investor in Facebook.

### Key fact:

Investment happens early in the U.S. market. When Thiel initially invested, the company was still known as “The Facebook” at the time.

## The “American Dream”

Work is central to the country's identity. This makes the talent market extremely attractive to prospective recruiters. The idea of innovation is long entwined in American DNA, and the “American Dream” concept has permeated across generations.

This mentality has shaped a cultural work ethic that promotes dedication, commitment, productivity, competitiveness, and risk-taking. These are highly suitable qualities in the tech world, where dedication toward results often fuels the innovation needed to make continuous breakthroughs and change the world.

### Key fact:

According to G-P's 2022 [Global Employee Survey](#), 40% of U.S.-based workers rank problem-solving as their most transferrable skill.



## Remote work enthusiasts

Companies hiring tech talent in the U.S. will encounter a workforce well-versed in the dynamics of remote work. This is key because remote work requires a higher level of discipline and motivation compared to traditional office-based work. Therefore, having access to tech talent that's already acclimatized to this work model means companies are hiring workers who can manage their time effectively, stay productive, and maintain a work-life balance in a remote setting.

### Key fact:

A 2023 study by [McKinsey](#), in partnership with [Ipsos](#), found that 58% of the 25,000 U.S.-based workers surveyed work remotely at least one day a week.



## What areas do U.S.-based tech workers specialize in?



As a result of the nation's strong proficiency in the world of tech, it is only natural that U.S.-based workers possess in-depth skills to match the industry's demands. Some of the fastest-growing tech skills include scrum software development, data visualization, customer success tools, user experience design, software framework development, robotic process automation, and data science.

The following specialties are leading in the region:

**Programming:** Specialties include programming languages like Java, C++, and JavaScript and data analytics tools like Python, SQL, and machine learning algorithms.

**Cybersecurity:** Due to the country's military prominence globally, tech workers are also well-versed in one of the more modern fields of warfare and cybersecurity. This includes skills like encryption, vulnerability assessment, and incident response.

**Cloud services:** Being home to the world's most extensive cloud services, like Amazon and Microsoft, means a large sector of the local workforce specializes in managing applications in the cloud, utilizing cloud services, and optimizing infrastructure for scalability.

**AI:** Then, of course, there is the latest tech field to burst onto the scene – AI. Home to the company OpenAI, which brought generative AI to prominence in 2022, U.S.-based tech workers are skilled in natural language processing and predictive modeling.

## Top U.S. hiring hubs

The U.S. is the [third-largest country](#) in the world, occupying an area of 3,119,884.69 square miles. Several tech hubs, some established and others emerging, lie within that area, and due to state laws, each come with differing regulations around labor and taxation (which we will cover in the “Compliance challenges” section of this eBook). While the big players tend to be located on the nation’s coasts, there are several rising tech destinations within the country’s interior.

In fact, recent [research by Brookings Metro](#) found that between 2010 and 2019, 48 out of 50 states have seen positive employment growth in the tech sector. So, where are the best places to find tech talent in this vast nation?



### The coastal giants

When contemplating hiring tech talent from a hub on America’s coasts, it is essential to consider time zones. For example, the West Coast is certainly more time zone friendly toward the Asia-Pacific (APAC) market. In contrast, companies in EMEA (Europe, Middle East, and Africa) might be better suited scouting talent located on the U.S.’s Eastern Seaboard.

**San Francisco:** The San Francisco Bay Area boasts the [largest concentration of high-tech enterprises](#) nationwide, with over 387,000 high-tech jobs. San Francisco, in particular, hosts significant industry players such as Google, Facebook, Apple, and Twitter.

According to the [U.S. Bureau of Labor Statistics](#), the tech industry is projected to maintain its rapid growth trajectory in San Francisco, with an expected employment increase of 13% by 2026.

**Seattle:** A formidable tech job market has taken shape in the nearby city of Seattle, with [11% of its workforce](#) dedicated to the sector. This strong tech landscape positions Seattle as one of North America’s most thriving tech hubs. The city boasts over [3,500 tech companies](#).

It also has a significant standing as a center for cloud computing. Notable industry giants like Amazon Web Services and Google Cloud have established a presence in the area, further cementing Seattle’s reputation as a burgeoning tech hub.

**Washington, D.C.:** On the East Coast of the U.S., Washington, D.C. has emerged as a big player in the tech landscape, as validated by [CBRE's 2021 Scoring Tech Talent](#) report. The city is also the world's most active data center, hosting over 70% of global internet traffic. The White House and Pentagon's location in Washington, D.C. also plays a key role in the city's tech hub status as the government is the [largest technology purchaser worldwide](#).

Given its proximity to the seat of power, the city is also a thriving cybersecurity hotspot. [TechShielder](#), a renowned industry authority, has designated Washington, D.C. the premier city for [cybersecurity jobs](#).

**Boston:** [CompTIA's monthly jobs report](#) highlighted that Boston saw the biggest increase in tech job postings between September and October 2022, outpacing renowned hubs like New York City and San Francisco, and solidifying its position as a thriving tech hub. Boston's tech credentials can be attributed to the city's [proximity to renowned universities](#), such as Harvard and MIT, which are pivotal in nurturing tech professionals.

The city has also emerged as a prominent hub for robotics, thanks to MIT's work. According to [Built in Boston](#), the region is now home to 59 robotics companies.

**New York City:** The Big Apple is home to a [tech workforce of 369,000 people](#). Amazon, Apple, Facebook, and Google have established their presence in the city, employing over 22,000 individuals. In 2022, the tech sector made a substantial economic contribution to New York, amounting to a staggering [USD 247 billion](#).

The city's tech landscape is further enriched by its vibrant startup ecosystem, boasting over 10,000 tech startups. These ventures have collectively amassed over USD [1 billion in funding](#), reflecting New York City's entrepreneurial opportunities.





## The rising interiors

Since the pandemic, tech companies like Tesla, Oracle, and Hewlett Packard [have moved their headquarters](#) from California to cities such as Austin, Houston, and Denver. Similarly, Apple and Google are building offices in North Carolina, while Intel is building plants in Columbus, Ohio. One advantage of hiring talent away from the U.S. coastline is that these areas offer affordable talent due to the cost of living, which is undoubtedly much lower than on the coasts.

Let's delve further into some of the main areas benefiting from the decentralization of tech on America's coasts.

**Atlanta:** While the coastal powerhouses have garnered the most recognition regarding U.S. technology, numerous cities are emerging as hubs within the expansive interior of the country. These include places like Atlanta, Georgia, a thriving hub where more than a dozen companies have surpassed a [USD 1 billion in valuation](#) in the last decade. Like Boston, local universities have played a key role in fostering tech talent in Atlanta.

According to the [research firm CBRE](#), Georgia Tech produces the highest number of technology graduates annually in the U.S.

**Austin:** This region of Texas is a prime destination for major global technology corporations, employing [30,000 workers](#) from industry giants such as NXP Semiconductor, Dell, Samsung, IBM, and Apple. This is primarily because the Lone Star State is one of the seven states in the U.S. that does not have a [corporation tax](#) for businesses. [Two companies](#) in Austin are particularly strong indicators of the city's diverse range of tech skills.

First is IBM, renowned for cloud computing, blockchain technology, and artificial intelligence. In addition to IBM, Austin houses EA, the company behind top-rated video games such as FIFA and Madden NFL. Their presence highlights the city's substantial talent pool of mobile gaming and esports developers.

**Huntsville:** In Huntsville, Alabama, high-tech industries account for [17.6% of overall employment](#), compared to 9.5% nationwide. The [primary tech industries](#) in the city are aerospace, defense, information technology, bioscience, and advanced manufacturing. Meanwhile, the city inaugurated the Alabama School of Cyber Technology and Engineering last year to solidify its reputation as a [technical education hub](#) for students pursuing careers in the technology and cybersecurity space. The 26-acre campus is housed in Huntsville's Cummings Research Park.

**Oklahoma City:** Oklahoma City is renowned for drone commerce. Simultaneously, the aerospace sector stands as the [second-largest industry](#) in Oklahoma, thanks to significant investments from companies like Boeing. These investments aim to develop advanced Unmanned Aerial Systems (UAS) technology for weather tracking, first responder support, and cattle monitoring.

**Columbus:** Columbus, Ohio, has garnered the nickname of "[Silicon Valley of the Midwest](#)." A [recent study](#) conducted in the city has revealed an impressive distinction: Columbus has the highest concentration of engineers and tech workers among cities of a similar size.



## Why tap into the U.S. tech talent pool?

The U.S. has an enviable track record of technological inventions that have shaped the world, and now that the U.S. market has embraced remote work so thoroughly, it is easily accessible to the rest of the world, for the better. Here is a closer look at some of the benefits awaiting companies that tap into this talent pool:

**Diverse workforce:** Given the U.S.'s melting pot of cultures, tapping into the local tech talent market gives companies first-hand access to a diverse workforce – all from one market. This is important because DEI (diversity, equity, and inclusion) is a top priority for employees today. The 2021 Workforce Happiness Index found that [78% of workers want employers that value DEI](#).



Moreover, the percentage of women serving as [CIOs at Fortune 500 companies](#) reached 21% in 2021, meaning it has more than doubled in the last decade alone. This highlights the inroads that the tech industry is making in becoming more gender inclusive and embracing female leadership.

**Entrepreneurial culture:** The U.S. has a longstanding tradition of fostering and supporting entrepreneurship. This is evident by the fact that last year, over five million new business applications were filed. [Business Insider](#) points out that this translates to almost 14,000 new business applications daily. Traits such as the desire for innovation and competitiveness are ingrained in the local workforce. Naturally, these are characteristics that any business would benefit from, making the U.S. a key recruitment hub for the tech industry.

**Adaptability:** According to a report by the [International Labor Organization \(ILO\)](#), U.S. workers put in longer hours annually than their counterparts in Germany, the U.K., Australia, Sweden, Belgium, and France. While the idea of [work-life balance](#) has taken on more of a focus these days, U.S.-based workers have a history of being results-driven and have a proven capability of thriving in fast-paced, high-pressure environments like tech.

**Market presence:** The U.S. is the largest tech market in the world. Not only that, tech companies anchor the U.S. stock market. In March 2023, the [New York Times](#) wrote that “the fate of the S&P index often comes down to just two companies: Apple and Microsoft.” The S&P index essentially measures the health of the U.S. economy; thus, tech’s domination of it highlights the industry’s critical role in the U.S. By hiring from this talent pool, international employers can recruit tech workers with employment histories that include experience at these renowned companies.

## Compliance challenges

While the U.S. workforce is an appealing recruitment target for tech businesses, employers must adhere to local regulations to leverage the nation's top tech talent. However, compliance with state and federal laws is no easy feat. Each state can have different tax structures, employment regulations, and privacy policies. This makes compliance with both federal and state regulations a critical foundation for seamless operations to avoid penalties and fines.

Fortunately, thanks to our decade of experience in the global employment industry, G-P is perfectly positioned to guide you through the unique compliance challenges that come with global expansion. Let's explore some of the main complexities that characterize U.S. employment regulations.



### At-will employment

At-will employment is the most significant difference regarding work in the U.S. compared to the rest of the world. Under this principle, employees are free to resign at any time for any or no reason. However, on the flip side, employers can terminate an employee's contract without requiring advance notice or severance pay, except in [specific circumstances](#) defined by law. These essentially come down to two areas: retaliation and discrimination. For example, collective bargaining agreements may exempt union workers from at-will employment. At-will employment also doesn't apply if employees are fired because of their race, gender, religion, or sexual orientation.

It is worth highlighting that the state of Montana is an outlier in the U.S. regarding the general at-will employment rule. In Montana, employers must provide a justifiable [cause](#) for terminating an employee unless specific circumstances dictate otherwise.

### Employment contracts

When it comes to employment contracts in the U.S., they can take various forms, each possessing legal enforceability, although with differing degrees of support. Written contracts are commonly favored by both parties as they provide a clear account of the employment terms, including salary, benefits, and duration of employment. Moreover, a written contract can state whether the employment is considered at-will.

Oral and implied contracts, while legally binding, can pose challenges when substantiating their existence during legal disputes.

## Standard working hours

The typical U.S. workweek adheres to a standard of 40 hours distributed over five days, each day consisting of eight hours. However, variations to this schedule exist and are practiced within different industries. For example, healthcare often employs longer shifts as part of operational requirements.

In the U.S., overtime regulations distinguish between two employee categories: exempt and non-exempt. Exempt employees typically hold salaried positions in specific executive, creative, or professional roles and are not covered by overtime rules. Falling under the exempt category are also [computer systems analysts](#), computer programmers, software engineers, and other similarly skilled workers in the computer field. This exemption applies if these professionals are paid a minimum of USD 684 per week on a salary basis or USD 27.63 on an hourly basis. Consequently, exempt employees do not receive additional compensation for working beyond the standard 40-hour workweek.

Non-exempt employees may fall under overtime rules. They are entitled to additional compensation for hours worked beyond the 40-hour threshold. The standard rate for overtime pay is generally [150%](#) of the employee's regular hourly wage.

So, if an employee earns a regular hourly wage of USD 10, their overtime rate would be USD 15. That said, specific regulations and exceptions vary depending on the state and industry.

## Employee benefits

In contrast to what is typically federally regulated, the list of benefits tech companies offer in the U.S. is generous. For instance, the U.S. is the [only significant country worldwide](#) to not guarantee paid parental leave. That said, U.S. tech companies take a different approach to this matter. [Apple](#), for example, offers

pregnant employees four weeks of paid leave before giving birth and an additional 14 weeks of paid leave afterward. An additional six weeks' unpaid leave is also optional. Non-birthing parents can also take six weeks of paid leave.

**Healthcare:** Like at-will employment, the U.S. healthcare system is another outlier compared to the rest of the world. The country does not have a universal healthcare system, and medical costs in the country are very expensive – 66.5% of bankruptcies in the U.S. [are caused by medical bills](#), making it the nation's leading source of financial ruin.

Employers with 50 or [more full-time employees](#) must offer affordable health insurance and minimum value to 95% of their full-time employees or be subject to penalties by the IRS. Therefore, it is essential to consider these potential high costs when sourcing from the U.S. talent pool.

## State and federal regulations

**Minimum wage:** In the U.S., employment regulations encompass state and federal laws, setting it apart from many other countries. Federal laws establish specific standards, such as the federally mandated minimum wage of [USD 7.25 per hour](#). However, individual states can establish higher minimum wage laws.

For instance, in [Montana](#), the minimum wage is USD 9.95 per hour, while in [New York](#), it is set at USD 15 per hour. Conversely, [Wyoming](#) has a state minimum wage of USD 5.15 per hour; however, employees are entitled to the federal minimum of USD 7.25, unless considered [exempt under the FLSA](#). Exemptions would include workers that earn over USD 30 in tips per month. Employers must be aware of these variations to remain compliant. It is worth mentioning that exceptions may apply to specific businesses, such as small farms and seasonal operations.

**Eligibility to work:** Federal law states that employees [must provide proof](#) of their eligibility to work in the U.S. Regardless of where individuals intend to work, international employees must be prepared to produce

valid work visas to establish their legal authorization to work within the country. To assist companies in complying with U.S. laws, G-P has the largest team of legal and HR experts in the industry to streamline any employment issue that may arise. Additionally, we leverage tools like [E-Verify](#), a web-based program that helps employers verify their employees' eligibility to work in the U.S. Employees are required to complete an I-9 form, which is then submitted to E-Verify to ensure compliance with the requirements of the U.S. Citizenship and Immigration Services (USCIS). According to [Glassdoor](#), hiring anyone not eligible for legal employment is a crime punishable by fines and possible imprisonment under federal law.

**Taxes:** Employers in the U.S. are responsible for withholding certain taxes from their employees' salary and paying certain taxes every quarter. [Payroll taxes in the U.S.](#) include social security and Medicare taxes, paid by both the employee and the employer. The rate for [social security tax](#) is 6.2%, and the Medicare tax rate is 1.45% for both employees and employers.

Employers are also responsible for paying federal unemployment tax for each employee. Although employers in the U.S. are not required to withhold federal income tax from their employees' pay, many do as a convenience for their team members. Depending on the employer's location, many also withhold state and local income taxes.



# Potential hiring challenges to look out for

## Legal and background checks

Following specific federal laws that govern these procedures is crucial. The [Equal Employment Opportunity \(EEO\) laws](#) play a significant role in ensuring fair practices. In particular, the [Fair Credit Reporting Act \(FCRA\)](#) and the [Fair and Accurate Credit Transactions Act \(FACTA\)](#) address the handling of consumer credit information during background investigations.

However, it is essential to not rely solely on these checks, as an emphasis on them can lead to discriminatory hiring practices. It is equally vital to recognize that state laws may intersect with federal laws in some instances while deviating in others. Consequently, a thorough examination of the requirements for obtaining consumer credit reports, safeguarding personal information, maintaining accurate records, and conducting criminal history checks should be conducted before extending an employment offer.

## Laws against discrimination in the U.S.

Commitment to non-discriminatory practices is key when engaging with job applicants or employees. Discrimination based on race, religion, sex, age, or disability is strictly prohibited. If discriminatory actions occur, the [Equal Employment Opportunity Commission \(EEOC\)](#) can investigate such charges. During the hiring process, it is crucial to exercise caution and avoid asking interview questions that could lead to discriminatory practices.



Topics that should be avoided include inquiries about personal matters such as marital status, parental status, or plans for starting a family. Additionally, questions about age, political affiliations, religion, sexual orientation, disabilities or injuries, criminal convictions, race, or personal appearance should not be posed.

Furthermore, it is highly recommended to use inclusive language in job postings and refrain from making statements that limit eligibility to individuals with specific citizenship statuses. For instance, avoid specifying that a job is exclusively open to U.S. citizens, H-1B visa holders, green card holders, or individuals with U.S. birth certificates. Embracing an inclusive approach in recruitment and avoiding discriminatory practices fosters a fair and diverse work environment.

### High salaries

Due to the U.S.'s technological prowess, hiring workers there comes with a high price tag. A [New York Federal Reserve survey](#) found that the average reservation wage – the lowest wage people are willing to accept for a new job – has climbed to a new high of USD 75,811 a year. In fact, due to the country's high cost of living, [more than half of U.S.-based workers](#) earning over USD 100,000 a year live paycheck to paycheck.

Of course, given the country's significant role as the epicenter of tech, you can find workers in some parts of the country that will be more affordable than others. For example, the [average IT salary](#) in Oklahoma is USD 77,500. In Georgia, it is USD 96,570, while in California, it is higher at USD 122,200.



## What our experts say

Engaging with different markets around the world is exciting and the geographical distance between your company and the U.S. can present unique challenges when embarking on the recruitment and interviewing process. In situations where physical travel is not possible or desired, remote hiring becomes necessary. Here are some key takeaways that we've found helpful to facilitate a seamless remote hiring process:

- 1. Maintain flexibility:** Given the potential time zone disparities between your country and the U.S., scheduling interviews may require flexibility and negotiation. Whenever possible, offer candidates the opportunity to choose interview times that accommodate their availability. This flexibility will be appreciated and reflect positively on your company's commitment to fostering a collaborative environment.
- 2. Communicate primarily in English:** The U.S. is a multilingual country, but the most common language in the business world is English. By communicating primarily in English, you demonstrate your company's familiarity with U.S. norms and facilitate clear and effective communication with your U.S.-based counterparts.
- 3. Utilize local U.S. currency:** Using U.S. dollars as the reference currency is advisable when discussing salary and benefits with your new hires.
- 4. Be prepared to negotiate:** In the U.S., especially for salaried positions, employees commonly research the roles they apply to. They will likely determine the fair market rate for someone with their skills and qualifications or learn typical salaries for comparable positions. When your company makes employment offers, be prepared for your candidates to negotiate the terms of their salaries, benefits, or other perks. These conversations are a normal and expected part of the hiring process.
- 5. Distinguish correctly between independent contractors and employees:** Like many countries, the U.S. has different laws governing employees and independent contractors. The consequences for misclassification can be severe – years' worth of back taxes and unpaid benefits, as well as financial penalties. Ensuring proper classification helps you avoid losses and provide fair compensation and benefits for your workers.

By implementing these strategies, you can navigate the challenges associated with remote hiring, foster a positive candidate experience, and ensure a smooth integration of new employees into your U.S.-based operations.

## Where G-P comes in

Great technology is only half the battle – to fully reap the benefits of the U.S. talent pool, it is essential to partner with a reliable guide who can simplify the hiring process, mitigate risks, and provide access to these opportunities. You need a partner who understands that behind every hire is a human being. That’s where G-P comes in.

Our #1 suite of global employment products, G-P Meridian Suite™, sets a new industry standard by offering the most complete and customizable global employment products ever. Remove the friction of global expansion and start hiring employees and contractors in 180+ countries in minutes, not months.

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