ANN ARBOR SPARK

2022 Tech Talent Compensation Survey Results

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Contents

Tech Talent Compensation Survey Results

Ann Arbor Region | Spring 2022

The tech talent compensation survey was originally developed by Ann Arbor SPARK in 2016 as a comprehensive wage study to better understand local nuance related to the unique skills of the tech-related workforce in the Ann Arbor region. The survey conducted in early 2022 is the third iteration of this study and the findings from previous reports have proven to be an amazing resource for local tech companies and beyond.

More than thirty tech companies in the Ann Arbor region responded to the most recent survey that covered topics such as company size, employee roles, worker compensation, remote work status, office occupancy, employee turnover, and more. SPARK used the results of this survey to draw conclusions on salaries in the local tech sector, which can inform compensation decisions at the individual company level.

For the purpose of this survey, tech positions are defined as those related to software development, engineering and/or programming, UI/UX or network and/or system design, technical management (chief technology officer/c-suite technology or research and development skills), and technical/data and/or systems analysis.

Key Findings

1. Most companies with tech-related employees in the Ann Arbor region have allowed their employees to work remotely at some point during the past year and plan to offer a hybrid work environment indefinitely. Nearly half of the companies surveyed predict the need for less office space in the Ann Arbor region in the future due to remote or hybrid work models. See **Remote Work and Return to Work Plans** for more information.

2. Traditional compensation and benefits like an annual salary, personal time off (PTO), parental leave, and health insurance are offered by nearly all tech companies surveyed. Less traditional benefits offered by tech companies in the Ann Arbor region include adoption benefits, commuter benefits, company outings/retreats, hybrid work environment, flexible work hours, remote work stipend, student loan repayment assistance, wellness stipend, and many others. In recent years, local tech companies have enhanced their benefit offerings to provide more flexibility, free parking, expanded health and childcare benefits, additional PTO days, and more. See **Tech Employee Compensation: Benefits** for more information.

3. Salaries vary widely in tech-related positions throughout the Ann Arbor region depending on the level of experience and education required. Within similar experience and education categories, salary discrepancies exist between the companies surveyed and can often be attributed to the company's age and/or size. Salaries paid to software developers, engineers, and programmers seem to be the most competitive in the Ann Arbor region based on survey responses. See **Tech Employee Compensation: Salary Ranges** for more information.

4. In 2022, most tech companies surveyed (78 percent) are worried about employee turnover which is in stark contrast with the survey results collected in 2018 prior to the pandemic and the "great resignation." In 2018, most tech companies surveyed in the Ann Arbor region were not worried about employee turnover (81 percent). The pandemic intensified the competition for tech-related talent due to the normalization of remote work opportunities, among other factors. Pay, relocation, and the desire for more remote work flexibility were among the most common factors cited by employees leaving the companies surveyed. See **Tech Employee Turnover and Talent Shortages** for more information.

5. Talent attraction, recruitment, and hiring concerns continue to impact tech companies in the Ann Arbor region. Most companies surveyed (74 percent) are concerned about tech-related talent in general, and nearly 80 percent are specifically concerned about attracting, recruiting, hiring, and retaining software developers, engineers, and programmers. Mid to senior-level positions seem to be especially hard to fill based upon the survey results; however, some companies are finding relief by recruiting nationally or even globally for remote software development-related positions. See **Tech Employee Turnover and Talent Shortages** for more information.

Survey Results

Company Information

1. **How many years has your company been in the Ann Arbor region? (n=32)**

Responses ranged from three (3) to 56 years of existence in the Ann Arbor region with the median being 9.5 years.

2. **How many total individuals does your company employ worldwide? (n=32)**

Responses ranged from five (5) to 12,920 total employees worldwide with the median being 41.5.

3. **How many total employees are based in the Ann Arbor area? (n=32)**

Responses ranged from one (1) to 405 employees based in the Ann Arbor area with the median being 26.5 employees.

4. **How many tech-related individuals does your company employ worldwide? (n=32)**

Responses ranged from one (1) to 2,372 tech employees worldwide with the median being 25.5.

5. **How many tech-related employees are based in the Ann Arbor area? (n=32)**

Responses ranged from one (1) to 142 tech employees based in the Ann Arbor area with the median being 13.

Remote Work and Return to Work Plans

6. **Have any of your tech-related employees in the Ann Arbor region worked remotely over the past year? (n=31)**
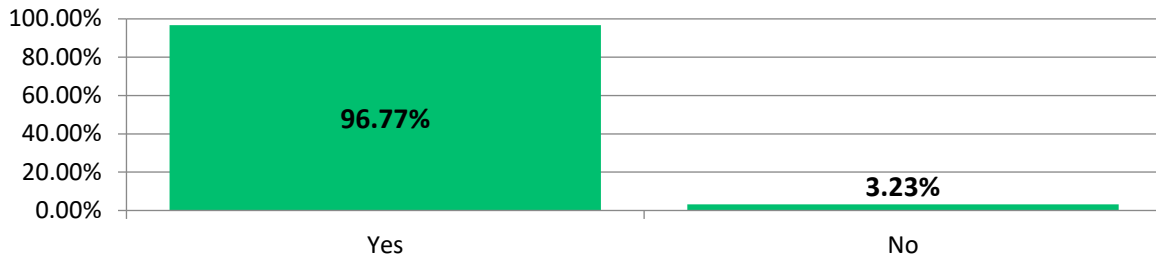

7. **Does your company anticipate remote tech employees returning to the office or workspace in the Ann Arbor region in the future (i.e., no longer working from home)? (n=31)**
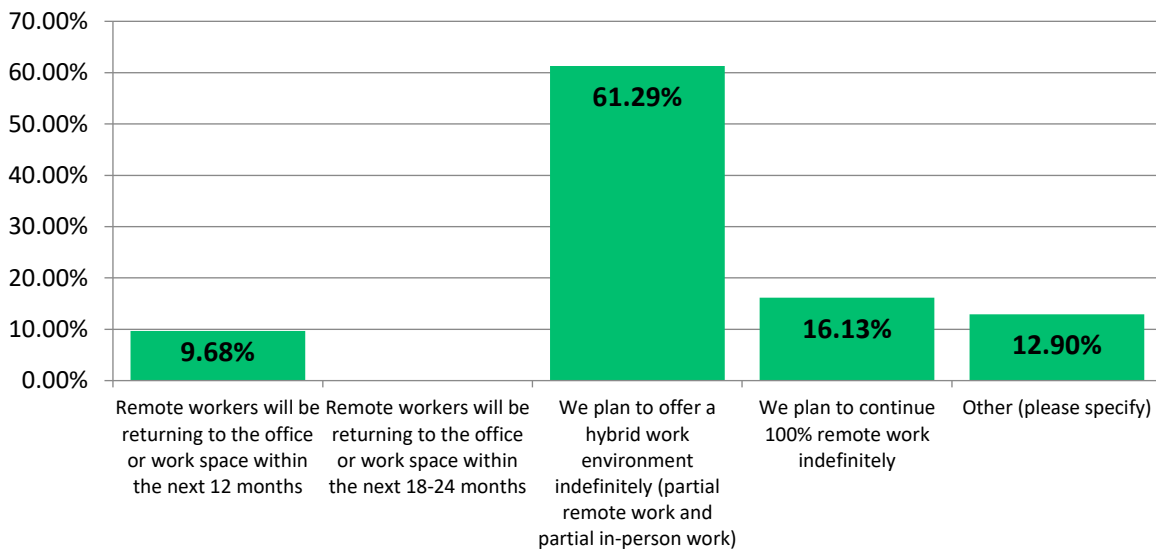
"Other" responses were mixed, indicating that employees have always worked 100% remotely (pre-pandemic), employees have already returned fully to in-person work in the office, some employees will be fully remote, and others will be hybrid in the future, and executive decision making related to hybrid vs. fully remote work for all employees will be made in one (1) year.

8. **Do your company's return to work plans impact your current office space or building needs in the Ann Arbor region (i.e., does your company anticipate needing more or less space in the future)? (n=31)**
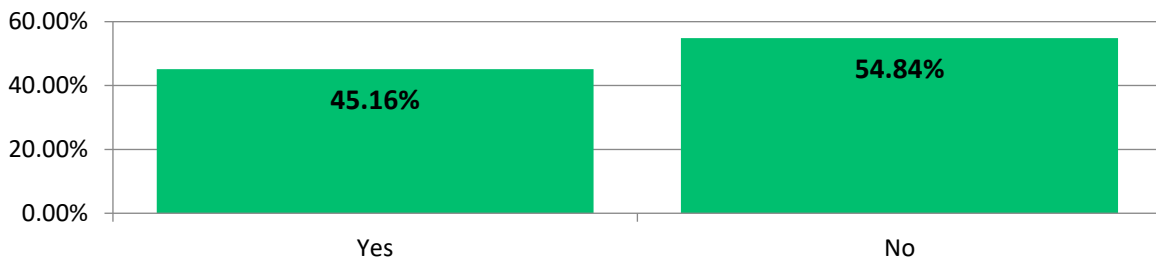
Explanations provided by respondents were mixed with half predicting the need for less space. These respondents indicated that most employees prefer to work from home or have always had the ability to do so, they have recently downsized or plan to (i.e., will not renew their lease for space when it comes up), or, due to hybrid work models, they have extra office space and plan to try to monetize it by allowing other companies to sublet. Other respondents indicated the need for more space or the intention to expand their local operations.

Tech Jobs and Skillsets

9. **Select the tech-related positions and/or skillsets employed by your company (select all that apply): (n=28)**
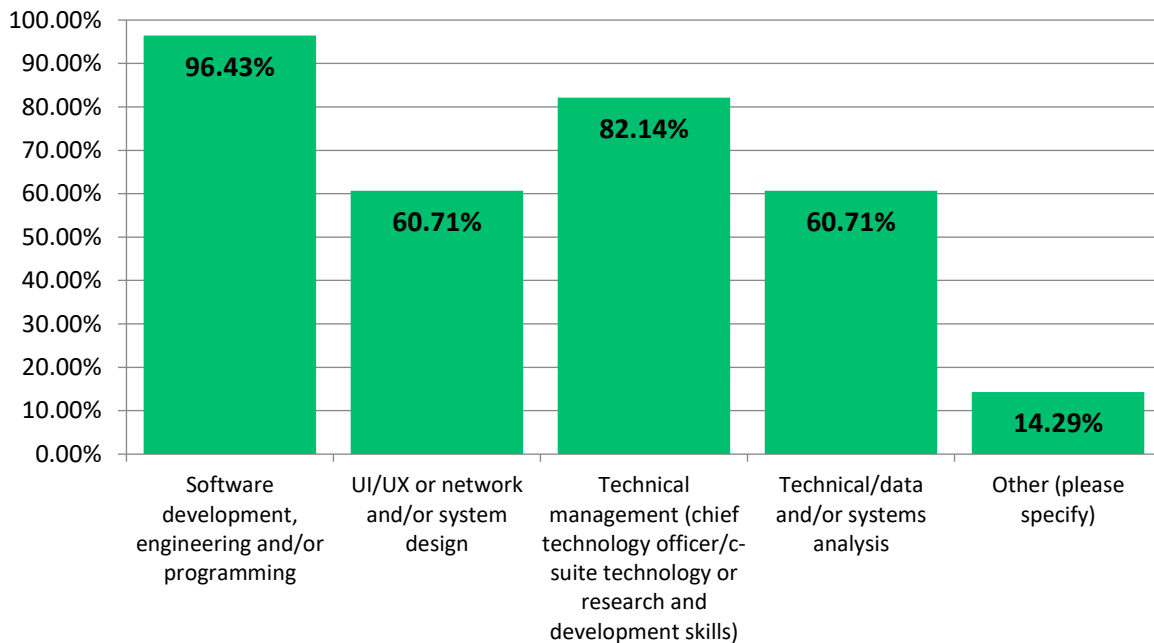
"Other" tech-related positions and/or skillsets named by respondents were delivery lead, consultant, technology recruiter, database architect, data scientist, system administrator, network security, and cyber security.

10. **What job title(s) does your company associate with each of the following skillsets: (n=28)**

Software development, engineering and/or programming job titles provided by respondents:
- Algorithm Engineer
- Architect
- Backend Software Engineer
- Data Engineer
- Developer
- DevOps Engineer
- Director of Development
- Director of Engineering
- Electronics Engineer
- Engineer
- Full Stack Developer
- Junior Data Engineer
- Junior Developer
- Lead Engineer
- Mechanical Engineer
- Mid Developer
- Principal Data Engineer
- Principal Software Engineer
- Programmer
- Senior Back-End Developer
- Senior Data Engineer
- Senior Developer
- Senior Software Engineer
- Software Architect
- Software Developer
- Software Developer & Consultant
- Software Engineer
- Technical Architect

UI/UX or network and/or system design job titles provided by respondents:

- Computer Scientist
- Developer
- DevOps Engineer
- Director of Business Solutions
- Front-End Developer
- Front-End Engineer
- Front-End Software Engineer
- Junior Systems Administrator
- Product Designer
- Quality Analyst
- Senior Use Interface Developer
- Software Designer & Consultant
- Software Developer
- Software Engineer
- System Engineer
- Systems Administrator
- UI Designer
- UI Developer
- UI/UX Designer
- UX Designer
- UX Researcher
- Web Designer

Technical management (chief technology officer/c-suite technology or research and development skills) job titles provided by respondents:

- CEO
- Chief Analytics Officer
- Chief Architect
- Chief Technical Officer/CTO
- CISO
- Data Scientist
- Director of Business Solutions
- Director of Engineering
- Director of Engineering
- Director of Software Engineering
- Engineering Manager
- Head of Engineering
- Principal Engineer
- Principle Consultant & Developer
- Research Scientist
- Security Officer
- Senior Engineering Manager
- Tech Lead
- vCIO
- vCISO
- vCTO
- VP
- VP Engineering
- VP of IT
- VP of Product
- VP of Product Development
- VP of Software

Technical/data and/or systems analysis job titles provided by respondents:

- Analyst
- Architect Lead
- Business Analyst
- Consultant
- Data Analyst
- Data Analytics
- Data Informatics Analyst
- Data Scientist
- Director of Business Solutions
- Engineering Technician
- Healthcare Data Scientist
- Info Systems Analyst
- IT Personnel
- Principle Consultant & Developer
- Product Manager
- Research Engineer
- Senior Analyst
- Senior Back-End Developer
- Senior Consultant
- Senior Data Scientist
- Sr. Business Analyst
- Systems Analyst
- Systems Engineer
- Technical Operations
- Technical Support Engineer
- Technical Writer

Other tech-related job titles provided by respondents:

- Consulting Manager
- Cyber Security Analyst
- Delivery Lead & Consultant
- Electrical Engineer
- Field Engineer
- Graphic Designer
- HR Technology Recruiter
- Integrations Manager
- Level 1 - Level 3 Help Desk Engineer
- Machine Learning Engineer
- Managing Partner
- Mechanical Engineer
- Network Engineer
- Post Sales Engineer
- Pre Sales Engineer
- Project Engineer
- Project Manager
- QA Automation Engineer
- Quality Tester
- Software Test Engineer
- Sr. AQ Automation Engineer
- Systems Administrator
- Technical Product Manager

11. **Does your company have a formal pay structure for each tech-related position (i.e., standardized salary bands, pay grades, formal base salary ranges, etc.)? (n=28)**
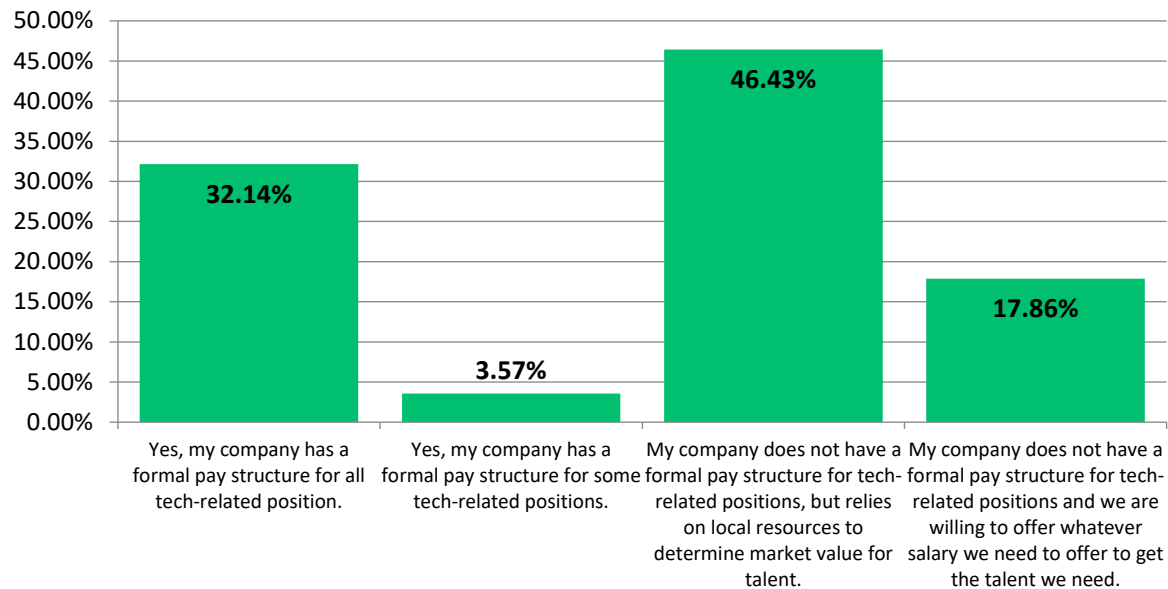
Respondents supplied the following supplemental information related to their company's formal pay structure for tech-related positions:

- Salaries have been changing so rapidly we had to eliminate our bands and are looking at what's "market" today.
- We are in the process of revamping our compensation structure to rely less on profit share and more on increased/competitive salary structures. We have found this is a necessary step to keep up with the ballooned rates of inflation.
- We are using a combination of Carta Total Comp (paid product), Salary.com, and Glassdoor data to understand the local market and we have a goal to be North of the 50th percentile as a company.
- We decide pay rates on a case-by-case basis based on talent level and our needs.
- We had Radford salaries, job codes and ranges (mid points) for all positions.
- We have a formal career ladder structure for the developer track and check market rates periodically to make sure that employees at each level of the ladder are compensated appropriately (either at hire or during annual reviews).
- We have a general salary band for positions, but all have been a huge moving target since the pandemic. It feels like instead of competing with Midwest salaries, we are now competing with salary offers from all over the country (in addition to general inflation being aggressive).
- We have internal salary bands we use for our positions. While not based on any specific market research/firm, it is based on our many years employing technical people. In these strange times, we are more often paying higher wages to attract talent.
- We have standardized pay bands for each geography for each year of experience and a range for people with 10+ years of experience. All our technical jobs listed here are paid using the same numbers based on years of experience.
- We hire employees at multiple levels and offer them competitive salaries.
- We only have one tech position, and it is coupled with other work.

12. Does compensation differ for individuals with similar skills/experience who have been recently recruited/hired compared to those who have been with the company for several years? (n=28)
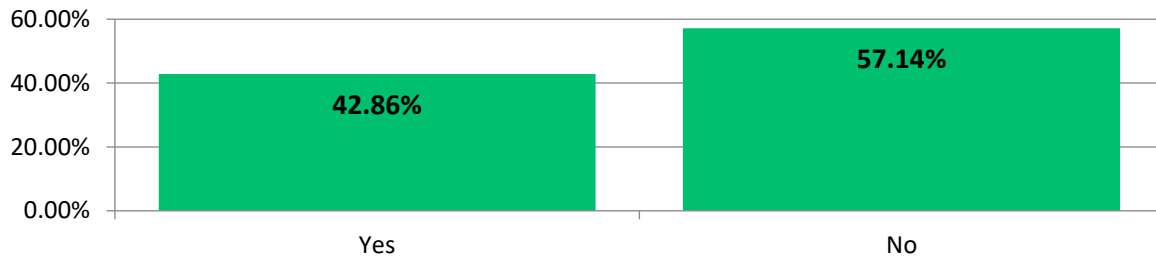
Respondents provided the following supplemental information related to how compensation differs for newly hired employees from those who have been with the company for several years:
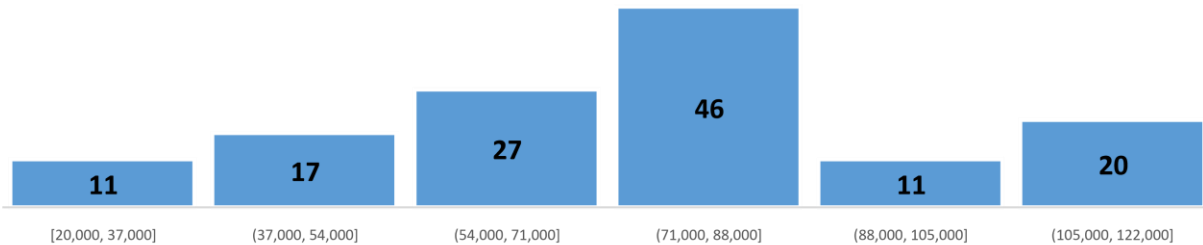
- Depends on the market at the time of hiring.
- Generally, the more senior someone is, even in the same title/position, may have higher comp. We try to avoid "leap-frog" scenarios.
- It can differ though we are working to even this out across the organization.
- It can when the market fluctuates quickly. We work to make things equitable during our annual performance process.
- It may differ. Hires are brought in at whatever level is appropriate given market rates at that time. That may be higher than hires brought in years ago. However, long term employees have had a chance to get raises over time, so they may end up being at the same level as new hires anyway.
- Keeping salaries balanced is something that is difficult for us.
- Most of the hiring we have done in the last year has been for intro-level positions. I believe trying to hire seasoned talent would put some stress on our comp structure.
- Salaries increase annually and some salary increases may be associated with certification objectives.
- Somewhat of a formal pay structure exists.
- We are now adjusting to bring up longer standing employees to new compensation levels to avoid turnover.
- We have been working to revamp our compensation package because we simply can't hire in at the same salary as some of our current employers. The market is too competitive for us to successfully hire and grow our team if we rely on our compensation approach that was created before the pandemic. Now we are experiencing increased resignations and high inflation rates.
- We maintain competitive salaries for our current employees. When recruiting we evaluate the candidate based upon experience/skill level/education.
- We pay employees more than the founders (C-Suite) for the time being.
- We periodically give merit-based raises to people to bring them in line with market rates.
- We tend to value existing/proven employees a bit higher.

13. List the salary or salary range for <u>software development, engineering and/or programming</u> employees at each level within your company. If you do not have this particular type of employee/skillset on staff, leave the section blank. (n=24)

Entry-level (0+ experience/training expected)
- Minimum: $20,000
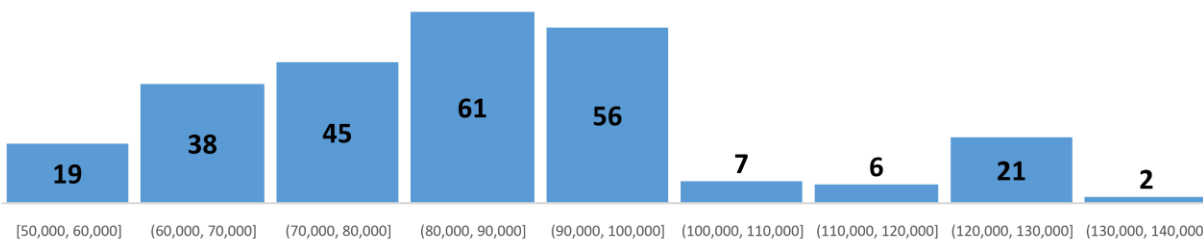- Maximum: $120,000
- Median: $76,000
- Average: $74,545.45

The most common salary range for entry-level software development, engineering/or programming employees in the Ann Arbor region is $71,000 - $88,000.

11	17	27	46	11	20
[20,000, 37,000]	(37,000, 54,000]	(54,000, 71,000]	(71,000, 88,000]	(88,000, 105,000]	(105,000, 122,000]

Intermediate (1-3 years of experience)
- Minimum: $50,000
- Maximum: $132,000
- Median: $85,000
- Average: $85,805.88

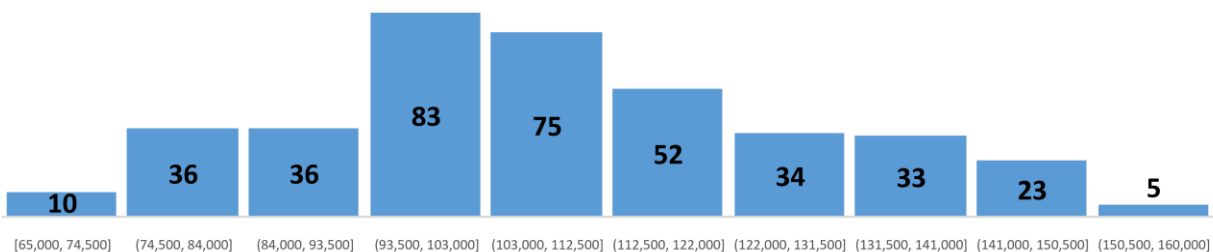The most common salary range for intermediate software development, engineering, and/or programming employees in the Ann Arbor region is $80,000 - $90,000.

19	38	45	61	56	7	6	21	2
[50,000, 60,000]	(60,000, 70,000]	(70,000, 80,000]	(80,000, 90,000]	(90,000, 100,000]	(100,000, 110,000]	(110,000, 120,000]	(120,000, 130,000]	(130,000, 140,000]

Mid-level (3-5 years of experience)
- Minimum: $65,000
- Maximum: $155,000
- Median: $107,000
- Average: $108,770.03

The most common salary range for mid-level software development, engineering/or programming employees in the Ann Arbor region is $93,500 - $103,000.

10	36	36	83	75	52	34	33	23	5
[65,000, 74,500]	(74,500, 84,000]	(84,000, 93,500]	(93,500, 103,000]	(103,000, 112,500]	(112,500, 122,000]	(122,000, 131,500]	(131,500, 141,000]	(141,000, 150,500]	(150,500, 160,000]

Senior-level (5+ years of experience)
- Minimum: $75,000
- Maximum: $179,000
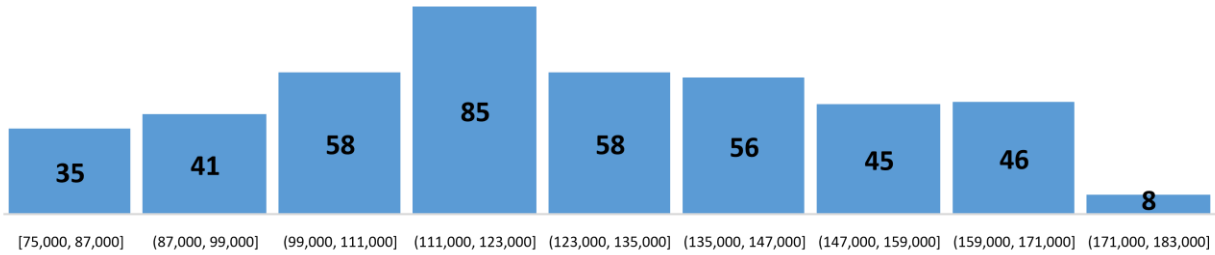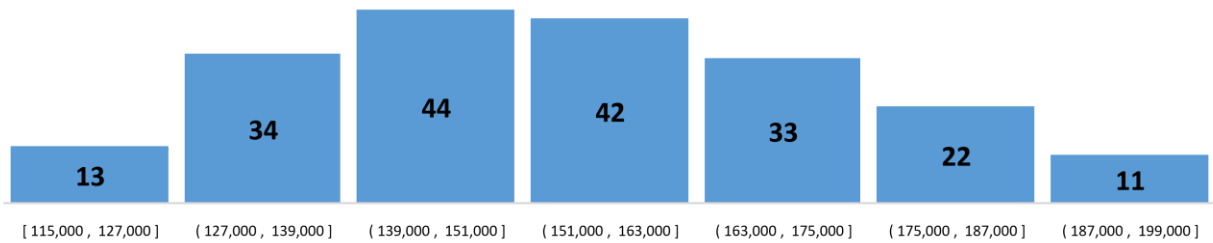- Median: $123,000
- Average: $125,371.53

The most common salary range for senior-level software development, engineering/or programming employees in the Ann Arbor region is $110,000 – $123,000.

35	41	58	85	58	56	45	46	8
[75,000, 87,000]	(87,000, 99,000]	(99,000, 111,000]	(111,000, 123,000]	(123,000, 135,000]	(135,000, 147,000]	(147,000, 159,000]	(159,000, 171,000]	(171,000, 183,000]

Player-coach (combination of manager and individual contributor roles)

- Minimum: $115,000
- Maximum: $198,000
- Median: $154,000
- Average: $155,175.88

The most common salary range for player-coach software development, engineering/or programming employees in the Ann Arbor region is $139,000 - $151,000.

13	34	44	42	33	22	11
[115,000 , 127,000]	(127,000 , 139,000]	(139,000 , 151,000]	(151,000 , 163,000]	(163,000 , 175,000]	(175,000 , 187,000]	(187,000 , 199,000]

Supervisory/management

- Minimum: $75,000
- Maximum: $179,000
- Median: $123,000
- Average: $125,371.53

The most common salary range for supervisory/management software development, engineering/or programming employees in the Ann Arbor region is $95,000 - $123,000 with a salary range of $179,000 - $207,000 being second most popular.

|				
45	20	18	40	18
[95,000 , 123,000]	(123,000 , 151,000]	(151,000 , 179,000]	(179,000 , 207,000]	(207,000 , 235,000]
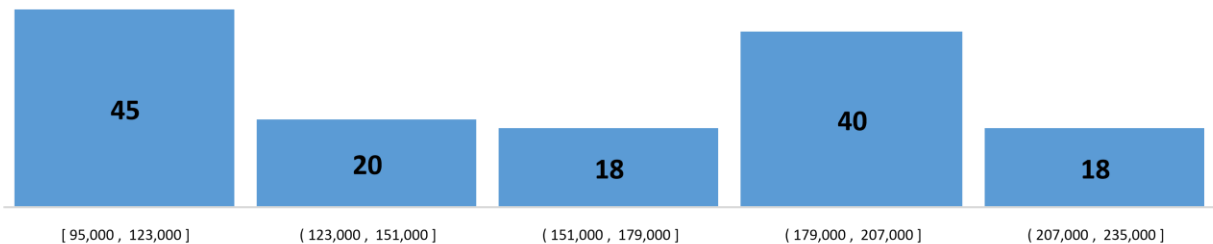
14. **List the salary or salary range for <u>UI/UX or network and/or system design</u> employees at each level within your company. If you do not have this particular type of employee/skillset on staff, leave the section blank. (n=24)**

Entry-level (0+ experience/training expected)

- Minimum: $20,000
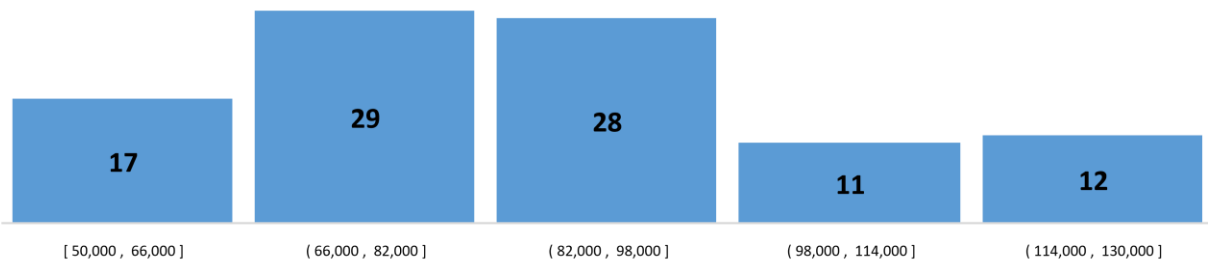- Maximum: $120,000
- Median: $71,000
- Average: $67,661.02

The most common salary range for entry-level UI/UX or network and/or system design employees in the Ann Arbor region is $20,000 - $48,000.

22	12	14	11
[20,000 , 48,000]	(48,000 , 76,000]	(76,000 , 104,000]	(104,000 , 132,000]
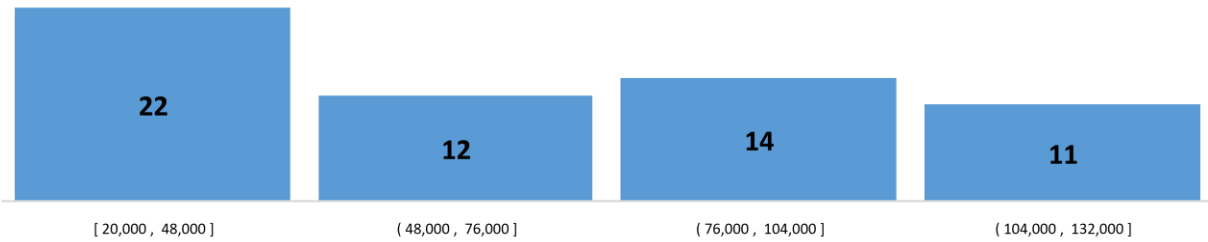
Intermediate (1-3 years of experience)
- Minimum: $50,000
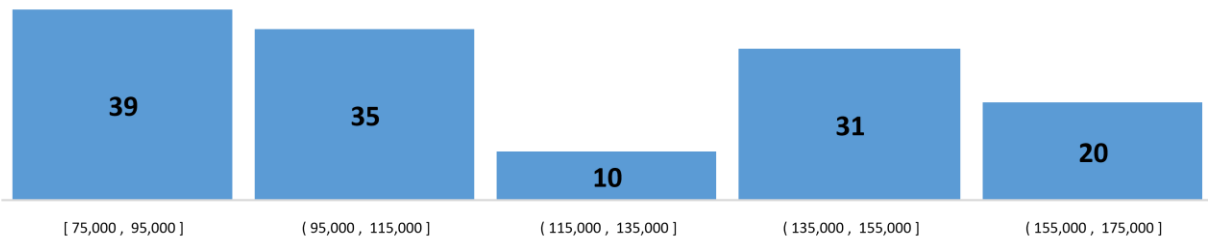- Maximum: $130,000
- Median: $84,000
- Average: $85,845.36

The most common salary range for intermediate UI/UX or network and/or system design employees in the Ann Arbor region is $66,000 - $82,000 with a salary range of $82,000 - $98,000 being second most popular.

17	29	28	11	12
[50,000 , 66,000]	(66,000 , 82,000]	(82,000 , 98,000]	(98,000 , 114,000]	(114,000 , 130,000]

Mid-level (3-5 years of experience)
- Minimum: $75,000
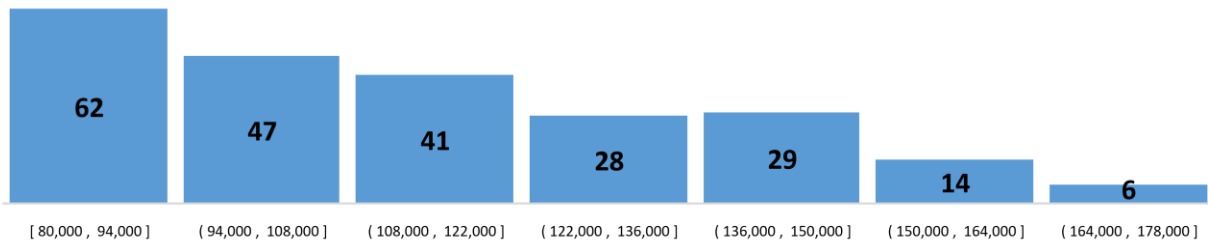- Maximum: $175,000
- Median: $109,000
- Average: $119,266.67

The most common salary range for mid-level UI/UX or network and/or system design employees in the Ann Arbor region is $75,000 – $95,000 with a salary range of $95,000 - $115,000 being second most popular.

39	35	10	31	20
[75,000 , 95,000]	(95,000 , 115,000]	(115,000 , 135,000]	(135,000 , 155,000]	(155,000 , 175,000]

Senior-level (5+ years of experience)
- Minimum: $80,000
- Maximum: $170,000
- Median: $110,000
- Average: $114,035.24

The most common salary range for senior-level UI/UX or network and/or system design employees in the Ann Arbor region is $80,000 - $94,000.

Chart data (bars): 62 [80,000, 94,000]; 47 (94,000, 108,000]; 41 (108,000, 122,000]; 28 (122,000, 136,000]; 29 (136,000, 150,000]; 14 (150,000, 164,000]; 6 (164,000, 178,000]

Player-coach (combination of manager and individual contributor roles)
- Minimum: $120,000
- Maximum: $140,000
- Median: $130,000
- Average: $130,000

The only salary indication provided by survey respondents for player/coach UI/UX or network and/or system design employees was $120,000 - $140,000.

Supervisory/management
- Minimum: $100,000+
- Maximum: $100,000+
- Median: $100,000+
- Average: $100,000+

The only salary indication provided by survey respondents for supervisory/management UI/UX or network and/or system design employees was $100,000+.

15. **List the salary or salary range for <u>technical management (chief technology officer/c-suite technology or research and development skills</u>) employees at each level within your company. If you do not have this particular type of employee/skillset on staff, leave the section blank. (n=24)**

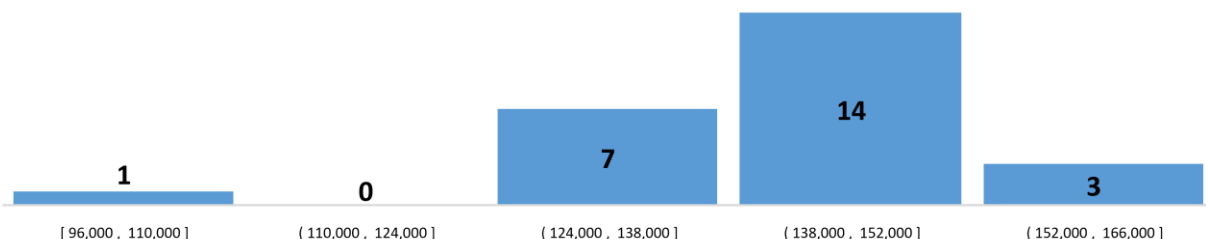Entry-level (0+ experience/training expected)
- Minimum: N/A
- Maximum: N/A
- Median: N/A
- Average: N/A

No salary ranges were reported by survey respondents for entry-level technical management employees in the Ann Arbor region.

Intermediate (1-3 years of experience)
- Minimum: $96,000
- Maximum: $155,000
- Median: $143,000
- Average: $141,600

The most common salary range for intermediate technical management employees in the Ann Arbor region is $138,000 - $152,000.

Chart data (bars): 1 [96,000, 110,000]; 0 (110,000, 124,000]; 7 (124,000, 138,000]; 14 (138,000, 152,000]; 3 (152,000, 166,000]

Mid-level (3-5 years of experience)

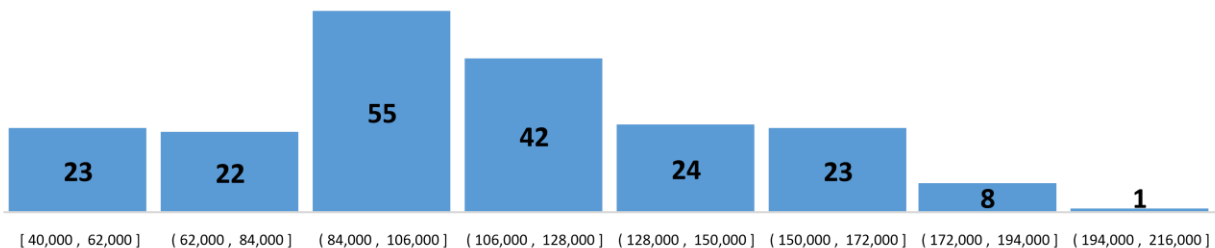- Minimum: $65,000
- Maximum: $110,000
- Median: $70,500
- Average: $73,333.33

The most common salary range for mid-level technical management employees in the Ann Arbor region is $138,000 - $152,000.

11	0	1
[65,000 , 83,000]	(83,000 , 101,000]	(101,000 , 119,000]
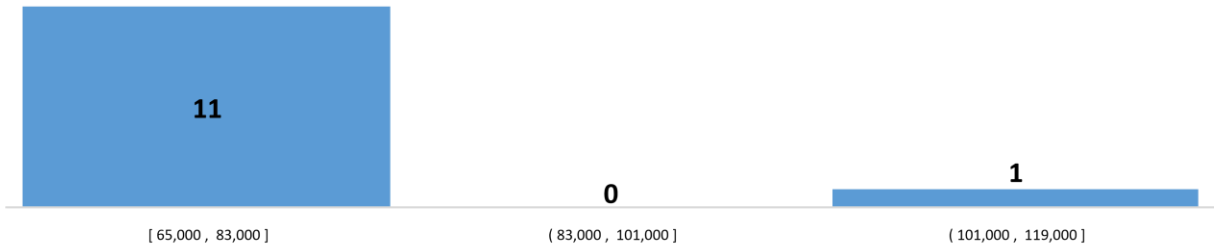
Senior-level (5+ years of experience)

- Minimum: $40,000
- Maximum: $200,000
- Median: $106,000
- Average: $109,176.77

The most common salary range for senior-level technical management employees in the Ann Arbor region is $84,000 - $106,000.

23	22	55	42	24	23	8	1
[40,000 , 62,000]	(62,000 , 84,000]	(84,000 , 106,000]	(106,000 , 128,000]	(128,000 , 150,000]	(150,000 , 172,000]	(172,000 , 194,000]	(194,000 , 216,000]

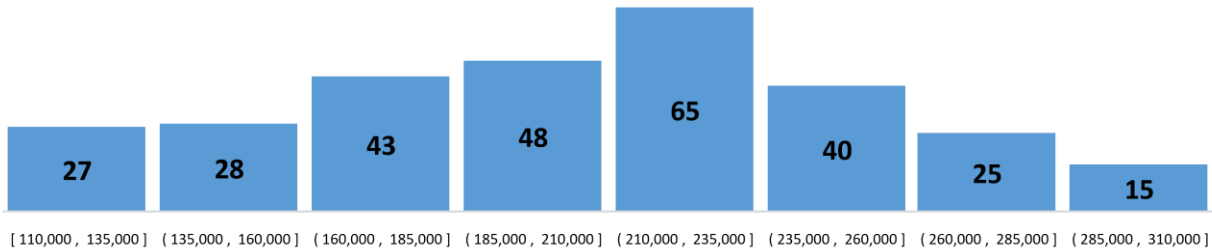## Player-coach (combination of manager and individual contributor roles)

- Minimum: $135,000
- Maximum: $200,000
- Median: $167,500
- Average: $167,500

The only salary data provided by survey respondents for player/coach UI/UX or network and/or system design employees was $135,000+ and $200,000.

Supervisory/management

- Minimum: $110,000
- Maximum: $300,000
- Median: $210,000
- Average: $206,632.30

The most common salary range for supervisory/management-level technical management employees in the Ann Arbor region is $210,000 - $235,000.

Histogram bars:

[110,000, 135,000]	(135,000, 160,000]	(160,000, 185,000]	(185,000, 210,000]	(210,000, 235,000]	(235,000, 260,000]	(260,000, 285,000]	(285,000, 310,000]
27	28	43	48	65	40	25	15

16. **List the salary or salary range for <u>technical/data and/or systems analysis</u> employees at each level within your company. If you do not have this particular type of employee/skillset on staff, leave the section blank. (n=24)**

<u>Entry-level (0+ experience/training expected)</u>
- Minimum: $20,000
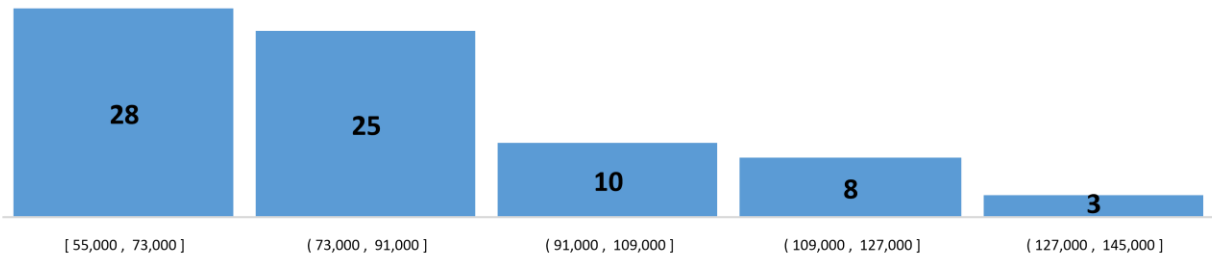- Maximum: $120,000
- Median: $77,000
- Average: $70,625

The most common salary range for entry-level technical/data and/or systems analysis employees in the Ann Arbor region is $76,000 - $104,000.

[20,000, 48,000]	(48,000, 76,000]	(76,000, 104,000]	(104,000, 132,000]
11	16	18	11
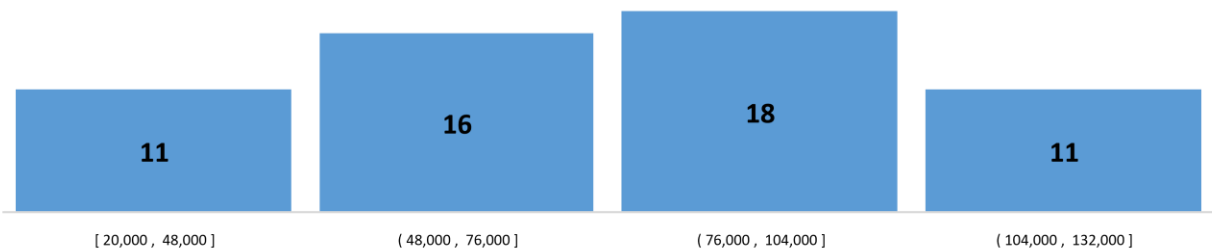
<u>Intermediate (1-3 years of experience)</u>
- Minimum: $55,000
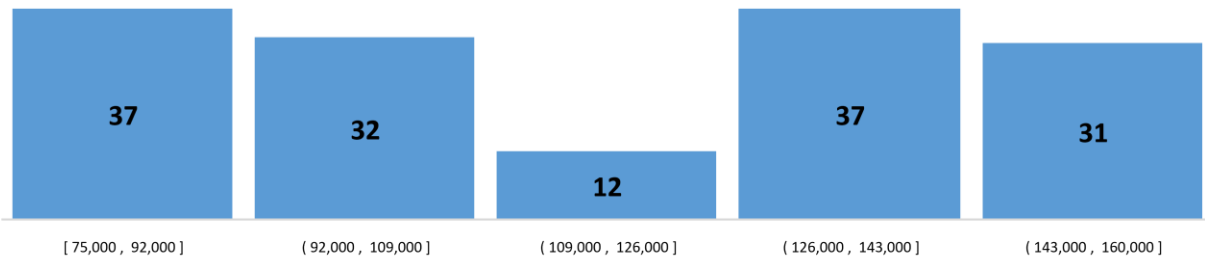- Maximum: $130,000
- Median: $83,500
- Average: $83,797.30

The most common salary range for intermediate technical/data and/or systems analysis employees in the Ann Arbor region is $55,000 - $73,000.

[55,000, 73,000]	(73,000, 91,000]	(91,000, 109,000]	(109,000, 127,000]	(127,000, 145,000]
28	25	10	8	3

<u>Mid-level (3-5 years of experience)</u>
- Minimum: $65,000
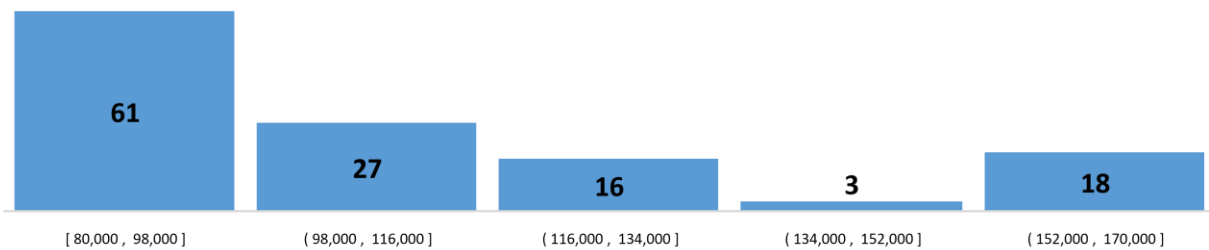- Maximum: $155,000
- Median: $107,000
- Average: $108,770.03

The most common salary range for mid-level technical/data and/or systems analysis employees in the Ann Arbor region is a tie between $75,000 - $92,000 and $126,000 - $143,000.

37	32	12	37	31
[75,000 , 92,000]	(92,000 , 109,000]	(109,000 , 126,000]	(126,000 , 143,000]	(143,000 , 160,000]

Senior-level (5+ years of experience)

- Minimum: $80,000
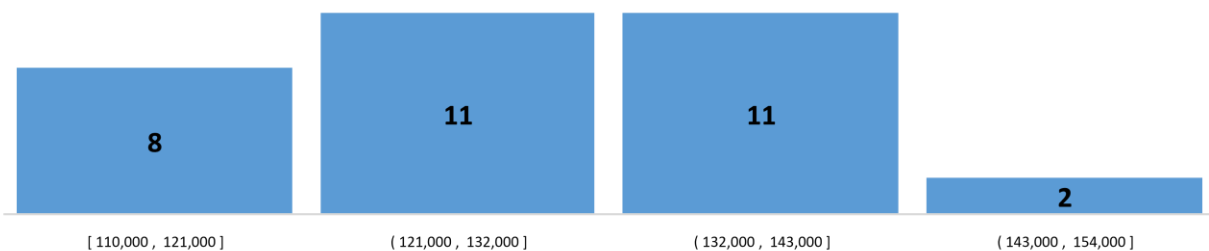- Maximum: $170,000
- Median: $99,000
- Average: $110,000

The most common salary range for senior-level technical/data and/or systems analysis employees in the Ann Arbor region is $80,000 - $98,000.

61	27	16	3	18
[80,000 , 98,000]	(98,000 , 116,000]	(116,000 , 134,000]	(134,000 , 152,000]	(152,000 , 170,000]

Player-coach (combination of manager and individual contributor roles)

- Minimum: $110,000
- Maximum: $145,000
- Median: $129,500
- Average: $129,375

The most common salary range for player-coach technical/data and/or systems analysis employees in the Ann Arbor region is a tie between $121,000 - $132,000 and $132,000 - $143,000.

8	11	11	2
[110,000 , 121,000]	(121,000 , 132,000]	(132,000 , 143,000]	(143,000 , 154,000]

Supervisory/management

- Minimum: $105,000
- Maximum: $185,000
- Median: $161,500
- Average: $154,166.67

The most common salary range for supervisory/management-level technical/data and/or systems analysis employees in the Ann Arbor region is $153,000 - $177,000.

|			
12	4	24	8
[105,000 , 129,000]	(129,000 , 153,000]	(153,000 , 177,000]	(177,000 , 201,000]
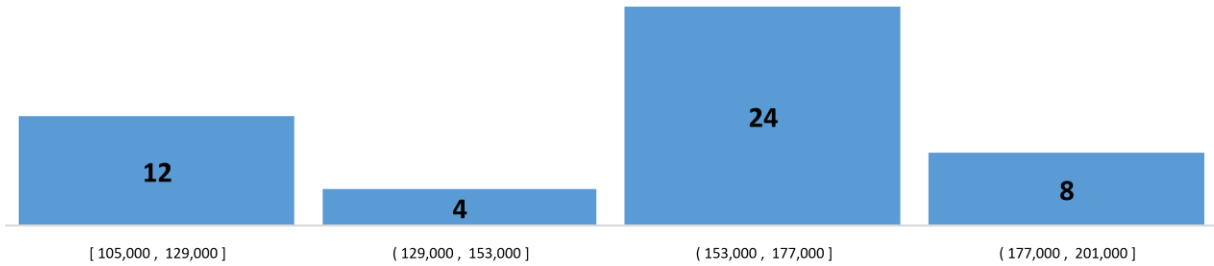
17. List the salary or salary range for <u>other tech-related positions</u> at each level within your company. If you do not have this particular type of employee/skillset on staff, leave the section blank. Please also specify the position type(s). (n=24)

Entry-level (0+ experience/training expected)
- Minimum: $20,000
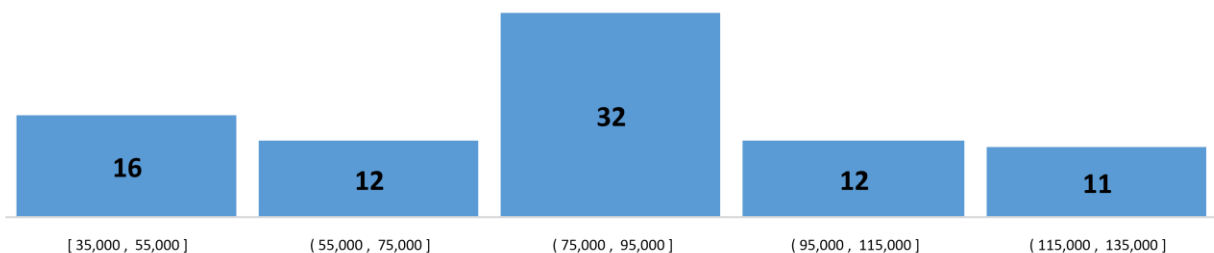- Maximum: $120,000

- Median: $65,500
- Average: $65,530.30

The most common salary range for other tech-related entry-level employees in the Ann Arbor region is $45,000 - $70,000.

17	21	17	11
[20,000 , 45,000]	(45,000 , 70,000]	(70,000 , 95,000]	(95,000 , 120,000]
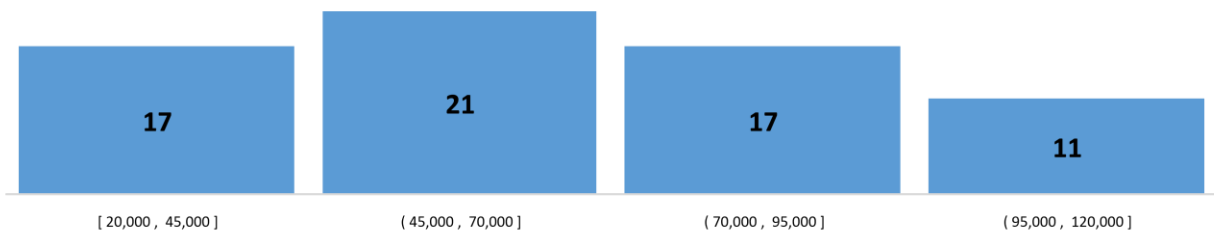
Intermediate (1-3 years of experience)
- Minimum: $35,000
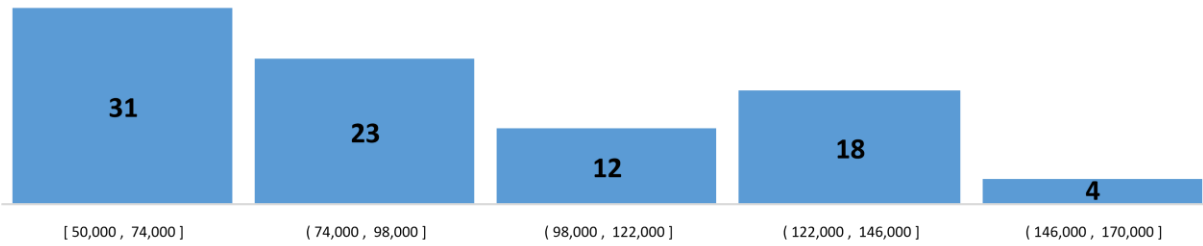- Maximum: $130,000

- Median: $82,000
- Average: $81,963.86

The most common salary range for other tech-related intermediate employees in the Ann Arbor region is $75,000 - $95,000.

16	12	32	12	11
[35,000 , 55,000]	(55,000 , 75,000]	(75,000 , 95,000]	(95,000 , 115,000]	(115,000 , 135,000]

Mid-level (3-5 years of experience)
- Minimum: $50,000
- Maximum: $150,000

- Median: $85,500
- Average: $94,772.73

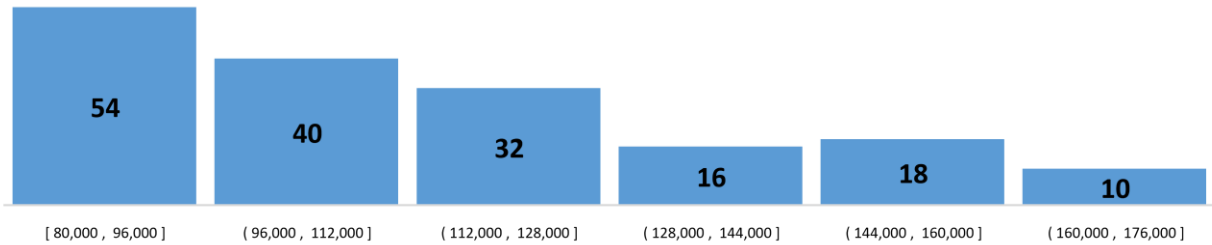The most common salary range for other tech-related mid-level employees in the Ann Arbor region is $50,000 - $74,000.

[50,000 , 74,000]	(74,000 , 98,000]	(98,000 , 122,000]	(122,000 , 146,000]	(146,000 , 170,000]
31	23	12	18	4

Senior-level (5+ years of experience)
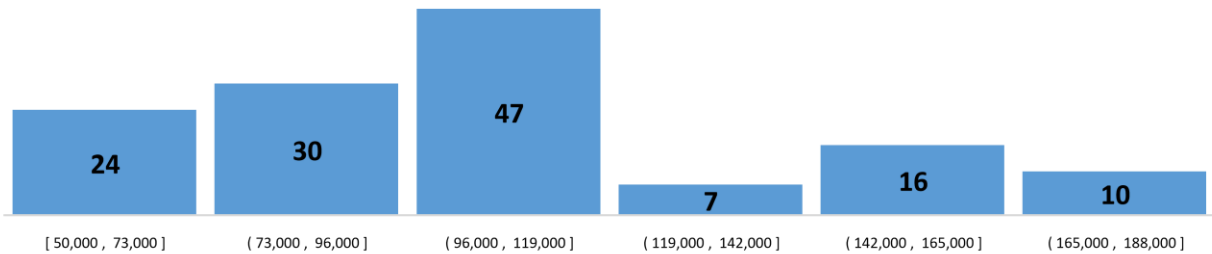- Minimum: $80,000
- Maximum: $170,000
- Median: $108,000
- Average: $113,894.12

The most common salary range for other tech-related senior-level employees in the Ann Arbor region is $80,000 - $96,000.

[80,000 , 96,000]	(96,000 , 112,000]	(112,000 , 128,000]	(128,000 , 144,000]	(144,000 , 160,000]	(160,000 , 176,000]
54	40	32	16	18	10

Player-coach (combination of manager and individual contributor roles)
- Minimum: $50,000
- Maximum: $175,000
- Median: $102,500
- Average: $106,194.03

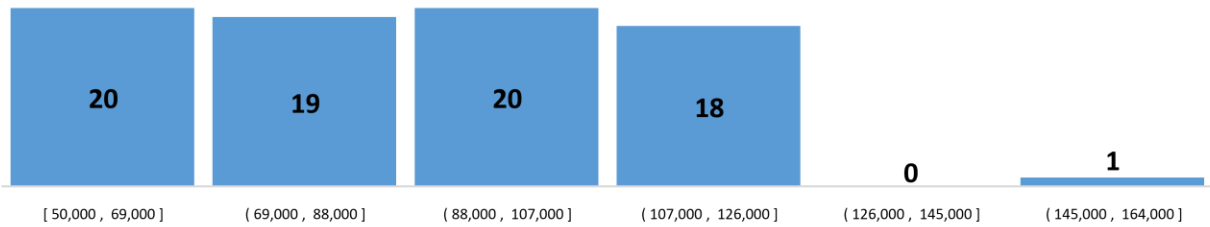The most common salary range for other tech-related player-coach employees in the Ann Arbor region is $96,000 - $119,000.

| [50,000 , 73,000]	(73,000 , 96,000]	(96,000 , 119,000]	(119,000 , 142,000]	(142,000 , 165,000]	(165,000 , 188,000]
24	30	47	7	16	10

Supervisory/management
- Minimum: $50,000
- Maximum: $150,000
- Median: $88,500
- Average: $88,525.64

The most common salary range for other tech-related supervisory/management-level employees in the Ann Arbor region is $95,000 - $123,000.

[50,000 , 69,000]	(69,000 , 88,000]	(88,000 , 107,000]	(107,000 , 126,000]	(126,000 , 145,000]	(145,000 , 164,000]
20	19	20	18	0	1

## Tech Employee Compensation: Salary Considerations

18. Rank the following in their importance when determining the salary level of <u>software development, engineering and/or programming employees</u>. (n=23)
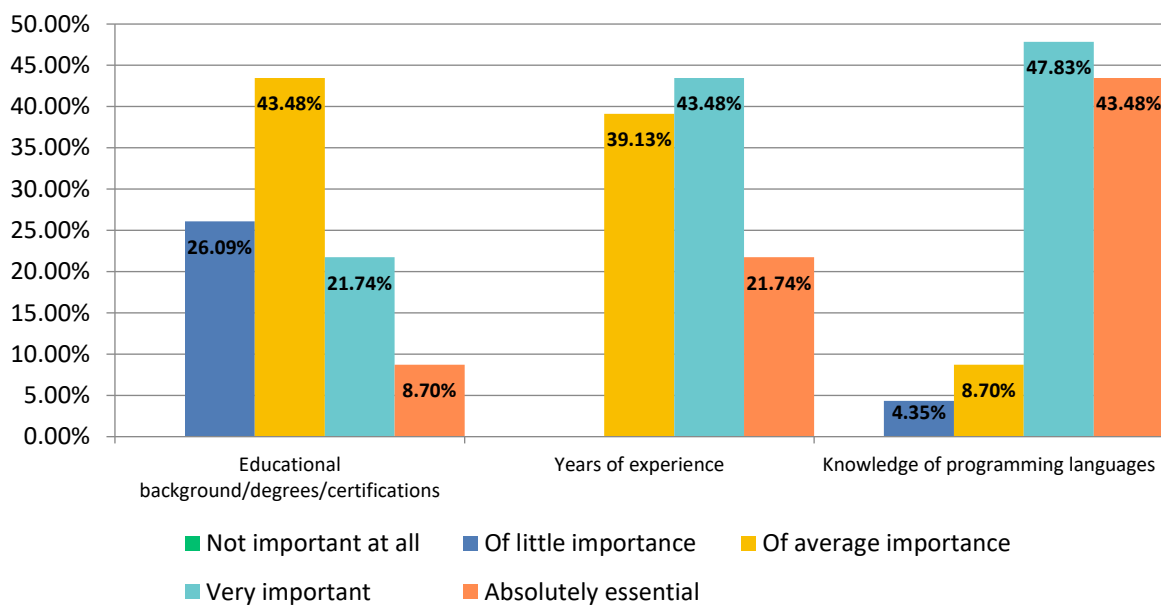
"Other" responses include the following:

- At a certain point in a person's career, the years of experience start to play a larger role than the education. Education and complimentary classes are essential in the 1-3 years of experience in a career.
- Cloud expertise in GCP.
- Culture fit (team player, willingness to learn, self-motivation, etc.) is also important.
- We tend to find more success with junior hires and training them up into high performers.
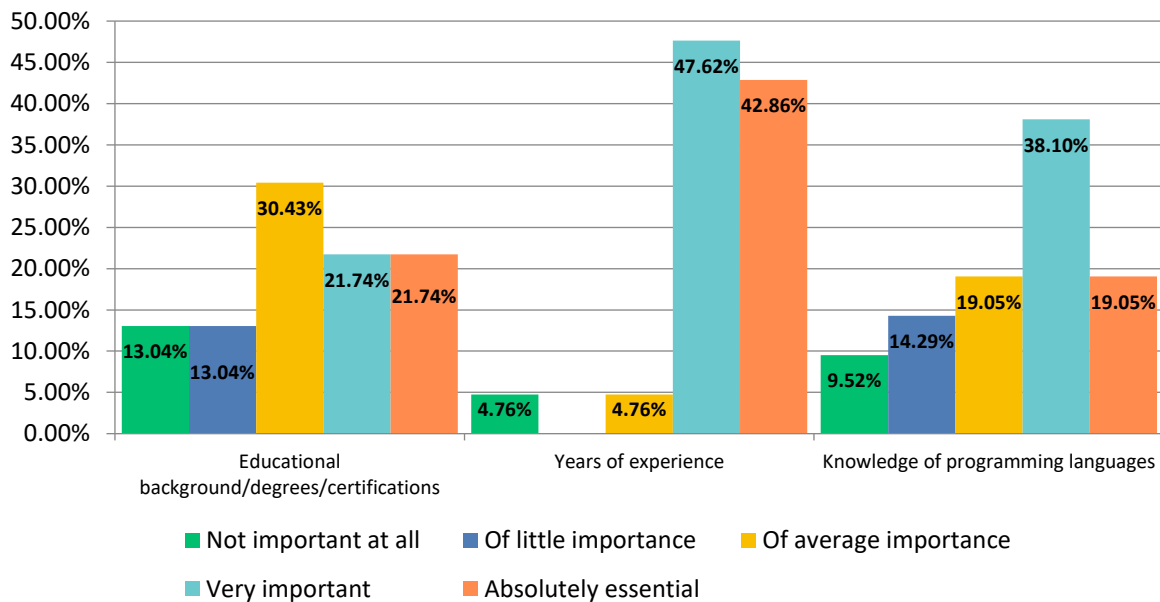
19. Rank the following in their importance when determining the salary level of **UI/UX or network and/or system design** **employees. (n=23)**
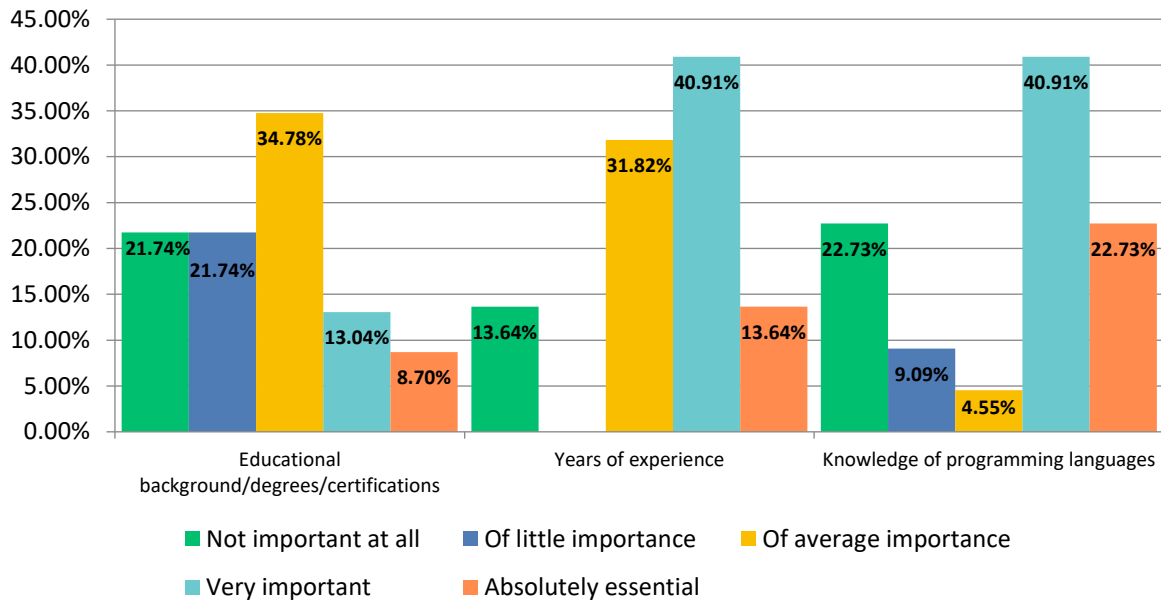
"Other" responses include the following:

- Certificates and alternative education are highly regarded in this area of recruiting.
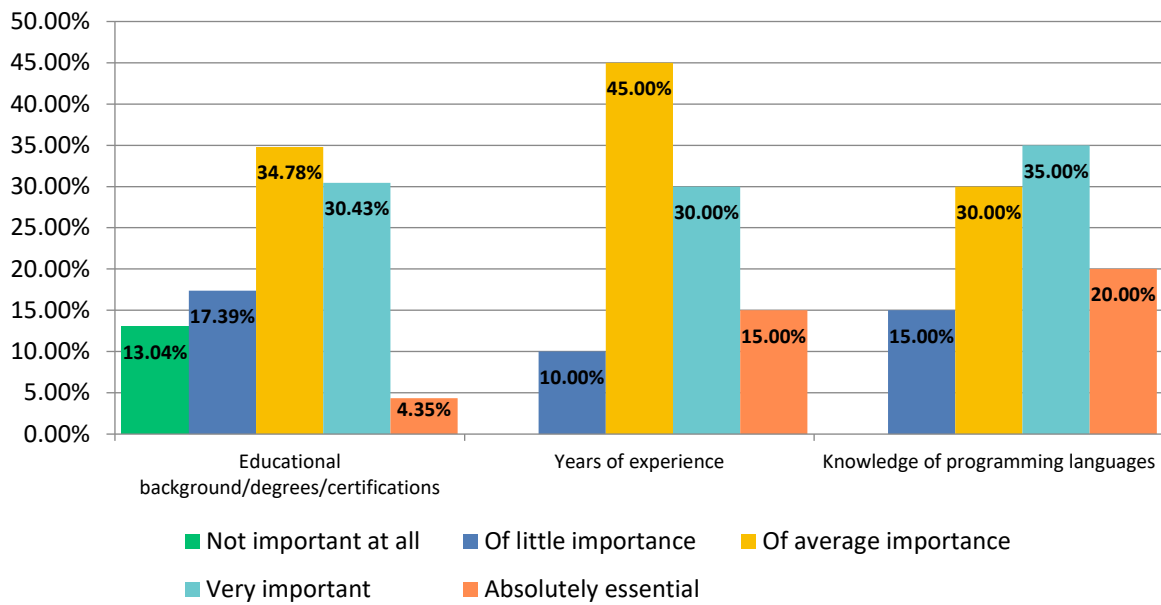
20. Rank the following in their importance when determining the salary level of t**echnical management (chief technology officer/c-suite technology or research and development skills) employees. (n=23)**
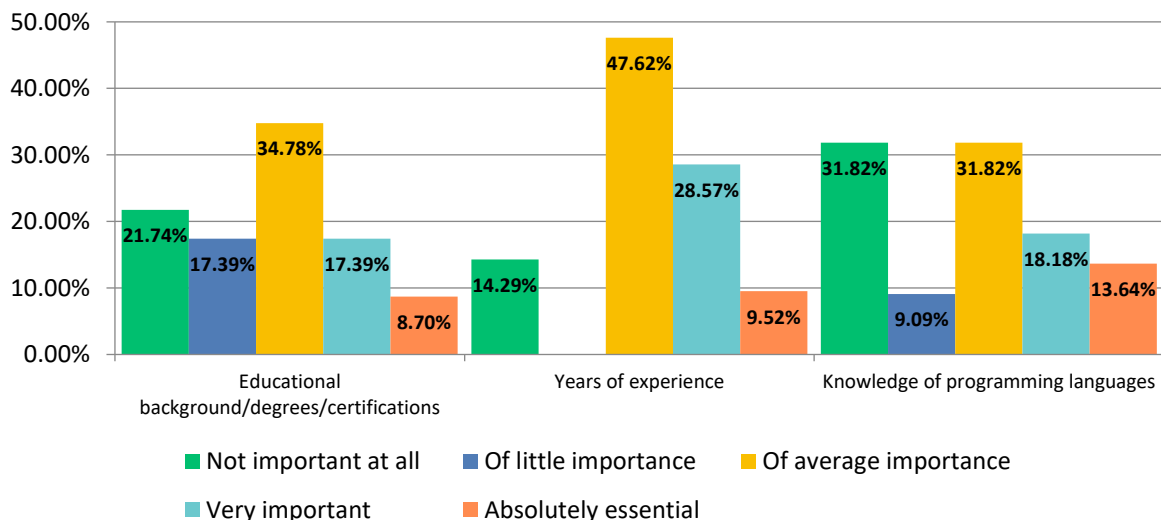
"Other" responses include the following:

- Ability to design and implement processes and tools.
- Ability to manage non-coding technical tasks (security, audits, etc.) and budget.
- Ability to translate between technical and non-technical communication.
- For technical teams, we have only ever promoted for this kind of role from within. Years of experience within the company building trust and credibility is likely most important.
- Technical skill is a must as even our most senior level leaders are player-coaches.

21. **Rank the following in their importance when determining the salary level of <u>technical/data and/or systems analysis</u> employees. (n=23)**

22. **Rank the following in their importance when determining the salary level of <u>other tech-related</u> employees (please specify the position(s) and salary considerations below). (n=23)**
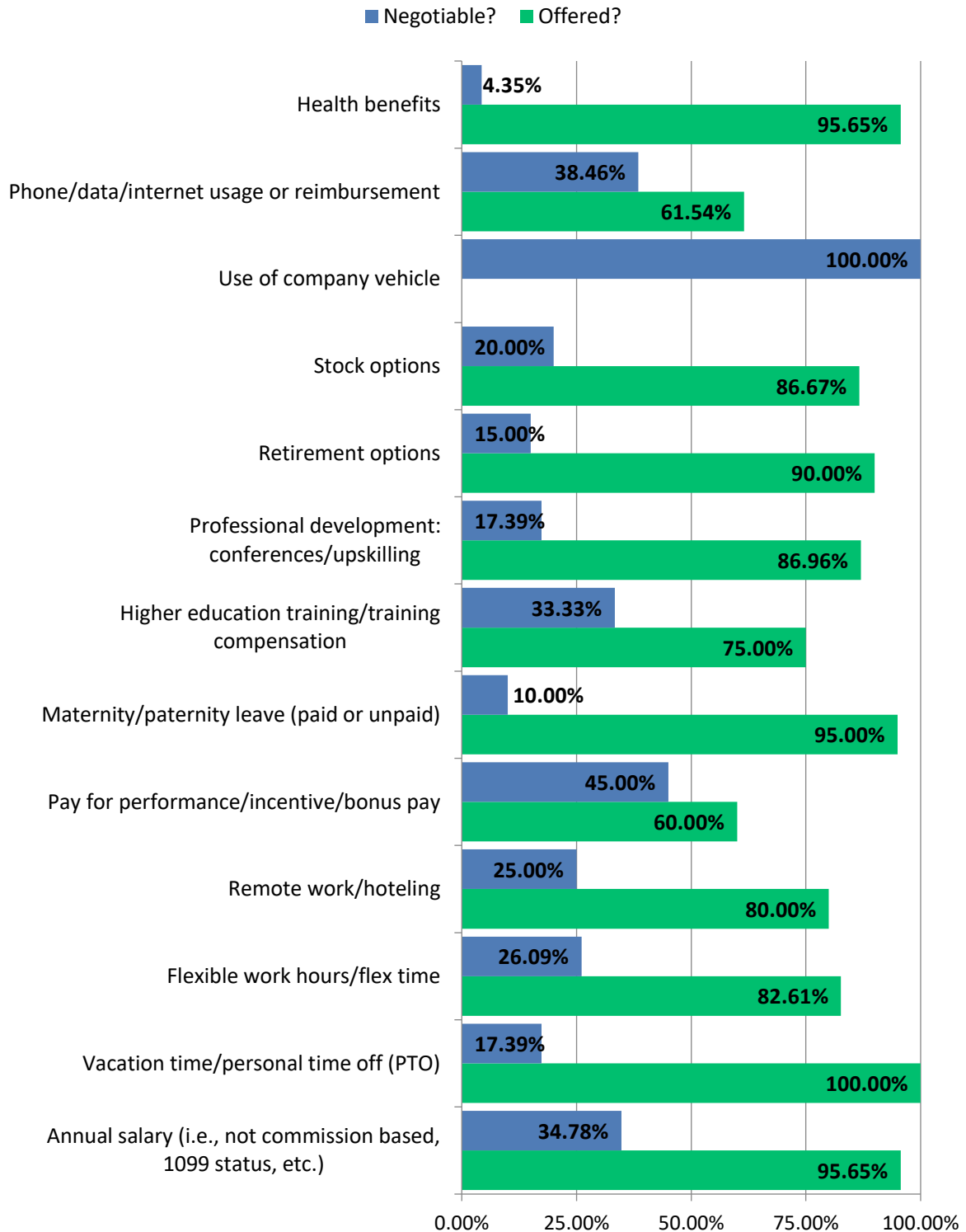
"Other" responses include the following:

- Technical Product Manager

Tech Employee Compensation: Benefits

23. Which of the following benefits are offered by and/or negotiable with your company? (n=23)

Legend: ■ Negotiable?   ■ Offered?

Benefit	Negotiable?	Offered?
Health benefits	4.35%	95.65%
Phone/data/internet usage or reimbursement	38.46%	61.54%
Use of company vehicle	100.00%	
Stock options	20.00%	86.67%
Retirement options	15.00%	90.00%
Professional development: conferences/upskilling	17.39%	86.96%
Higher education training/training compensation	33.33%	75.00%
Maternity/paternity leave (paid or unpaid)	10.00%	95.00%
Pay for performance/incentive/bonus pay	45.00%	60.00%
Remote work/hoteling	25.00%	80.00%
Flexible work hours/flex time	26.09%	82.61%
Vacation time/personal time off (PTO)	17.39%	100.00%
Annual salary (i.e., not commission based, 1099 status, etc.)	34.78%	95.65%

Respondents provided the following added benefits that are either offered by and/or negotiable with their company:

- Adoption benefits
- Breastmilk shipping for lactating mothers
- Commuter benefits
- Company outings such as game nights, parties, trips to Cedar Point, etc.
- Company sponsored doula for new parents
- Diapers for a year for new parents
- Direct ownership opportunities yielding quarterly dividends
- Diversity & inclusion events all year round
- Employee Assistance Program (EAP), 401K matching, company paid parking, health club membership
- Employees have discretion about when and where they work (very flexible)
- Free parking
- Medical/dental/vision, STD/LTD, life insurance, and 401k matching
- Meditation app reimbursement
- Non-negotiable benefits: pet Insurance, volunteer time off, office snacks, office gym facility, pet-friendly work environment
- Paid 1:1 lunch w/fellow employees
- Paid personal leave
- Pet insurance
- Quarterly retreats
- Remote stipend (1 time to get setup at home)
- Remote work and flexible work hours (core hours of 10am - 4pm weekdays)
- Remote working stipend
- Sign-on bonus (anywhere from $5k to $25k) is common for many/most positions
- Student loan repayment assistance
- Wellness stipend

24. **Have your benefit offerings changed in recent years due to the pandemic or any other factors? If so, please describe (i.e., expanded mental health care options, childcare benefits, etc.). (n=23)**

Respondents supplied the following information related to changes in their company's benefit offerings in recent years:

- A more flexible hybrid work environment
- Addition of quarterly retreats
- Directly pandemic related -- with so few people coming into the office, we decided to pay for parking to eliminate that barrier
- Expanded childcare benefits
- Expanded health benefits to offer dental/vision
- Expanded health care options
- Expanded PTO days/year
- Expanded remote work options
- Expanded wellness program
- Hybrid work and flextime
- Maternity/paternity leave policy was just updated

- Not Pandemic related -- each year for the last two years we have expanded our time off offerings -- both PTO and parental leave.
- Offered 401(k) as we grew
- Our insurance providers now also offer various mental health programs related to stress management, so we pass those on
- Stipend for remote workers
- Two additional PTO days for community work
- We are offering HDHP / HSA as of Fall 2021
- We benchmark every year and adjust accordingly
- We have not increased our benefit offering or the premiums associated with our primary health benefits in the last two years. We have made a strategic decision to not do this to keep things positive for employees.
- We offered COVID support in 2020 for childcare
- We shifted our remote policy from having a limit of remote days to a fully hybrid schedule requiring only three in-office days per week.
- Working remote was the only new standard offering, whereas that used to be negotiated

Tech Employee Turnover and Talent Shortages

25. Is your company concerned about turnover related to tech employees? (n=23)
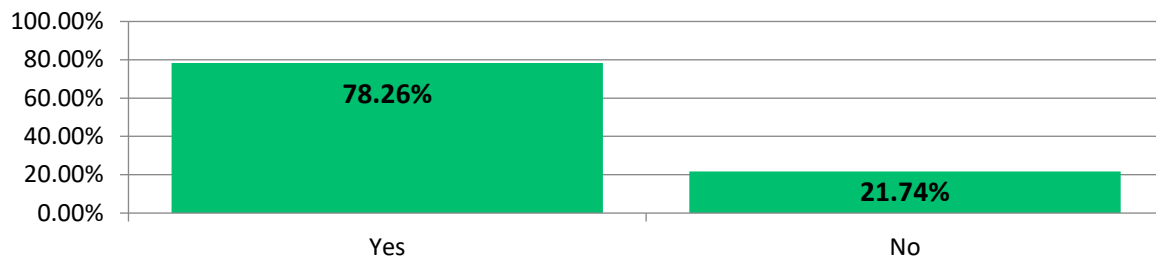

Explanations from respondents include the following:

- All employees have more remote opportunities available to them, however, most of our employees decided to join us because they prefer to work together in-person a good portion of the time.
- We should always be concerned.
- We are concerned about the workforce in general, making sure that all our employees are treated as extremely valuable. We remain competitive in our salary and benefit packages to retain and attract top talent.
- Turnover is always a worry as the competition for highly qualified talent is higher than it's been in a long time.
- Lots of demand and increasing salaries.
- The definition of competitive salary is rapidly changing and as a start-up that has impacted our budget.
- Like many companies, there is a high turnover and we're losing employees. Probably no more so though during COVID.
- We have had high turnover in the last two (2) years.

- While we weathered the "great resignation" well, we are currently battling our employees being poached by recruiters. The stories that the recruiters are sharing are opportunities that have an increase in salary of $20,000 plus. This is of great concern to us.
- There is a huge talent war going on. We have a hard time competing with tech companies that can offer large stock option-type things as part of their compensation package.
- What is there to say? Of course, we worry about our employees leaving, just like any other employer. It is tough to lose them especially after they've stayed with us long enough to become really valuable and have to recruit all over again. We do have very low turnover, so we must be doing something right.
- It's a competitive market and the cost to onboard a new developer is very high.
- There is always more money to be made elsewhere but our team eNPS scores are incredibly high and we have a great company mission that most folks are excited about.
- It's the greatest risk for a tech company.
- We have done remarkably well through the "great resignation" but as a small company, each employee we lose creates a big impact. Doing our best to make our company a place people don't want to leave.
- Our tech employees get 2-5 recruiter emails and LinkedIn messages a day, it's out of control.
- Concerned about it but as of 3/2022 we haven't experienced more turnover than normal; we believe our turnover is lower than the industry average.

26. For which tech-related skillsets is turnover a problem for your company (select all that apply)? (n=23)
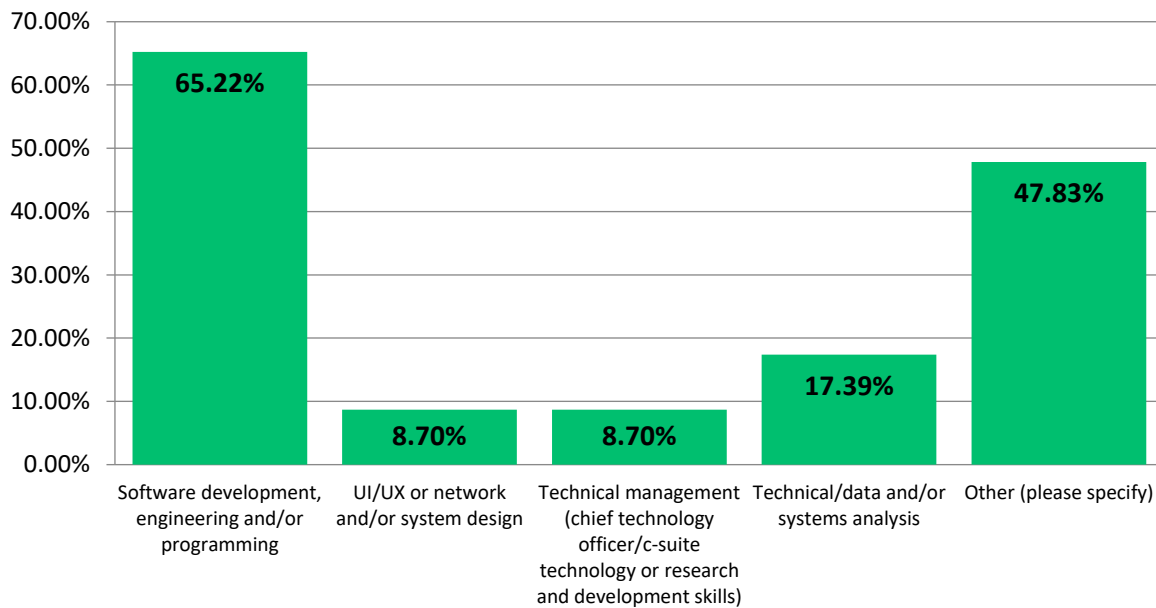
"Other" tech-related skillsets where turnover is a problem were named by respondents as follows:

- Interns
- Developers (Software Engineers) and Managers
- Software Test Engineers
- Hiring is so competitive that replacing developers that leave is an ongoing struggle.

27. Is your company concerned about tech talent attraction, recruitment, hiring, etc.? (n=23)
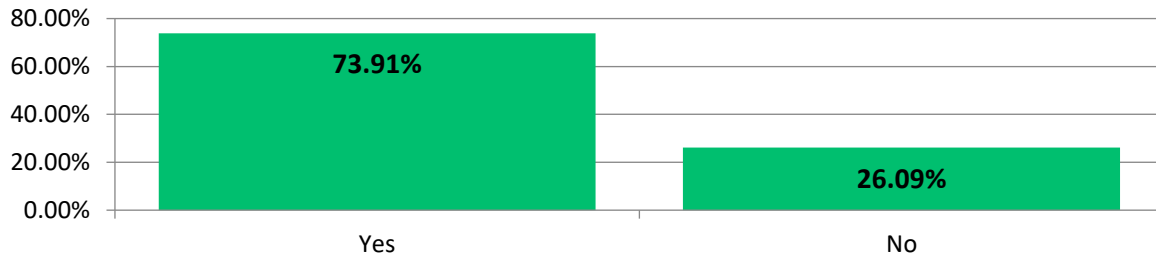
Explanations from respondents include the following:

- Finding and recruiting talent is now more expensive and time consuming.
- Finding local talent is difficult. Competition is high and many employers are looking for similar experience and skill set.
- It's always difficult to find the best people. We've historically, currently, and will continue to be concerned about this topic.
- It's hard to find people, especially in a hybrid model.
- Recruiting is a long process and takes a lot of effort.
- The market for hiring experienced developers is incredibly tight.
- The market is tight, and it feels like the big players locally and out-of-state squeeze us constantly.
- There is a shortage of talent in the region.
- Very competitive market which requires a great deal of investment (time and effort) to be successful. We aren't big enough to have in-house recruiting and have been hesitant to outsource due to the cost.
- We aren't concerned about recruitment at this time, but we did a lot of outbound marketing for talent last year to get ahead of shortages.
- We have a hard time finding software and electrical engineers with 6+ years of experience.
- We have been able to retain our top talent in the technical arena and have been able to attract and recruit the talent based upon our total benefit package offered.
- We have good luck finding talent that wants to work with us.
- We seem to do well in terms of recruitment.
- With the expansion of remote work, the labor market is becoming one single national market.

28. For which tech-related skillsets is your company struggling to fill positions (select all that apply)? (n=23)
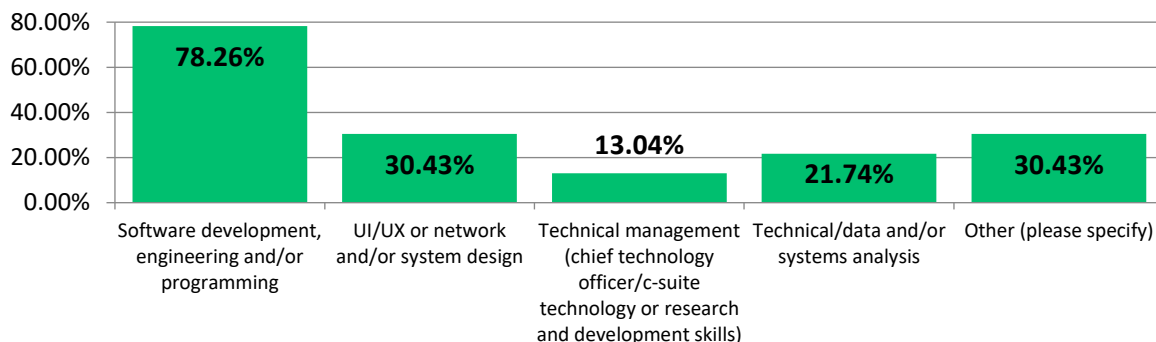
"Other" tech-related skillsets where respondents are struggling to fill positions include:

- Delivery & Lead Consultant
- Always hard to find good skilled technical talent and managers

29. Do employees list the reason(s) for leaving during exit interviews? If "Yes," what are some of the most common reasons for leaving your company given by employees during exit interviews? (n=23)
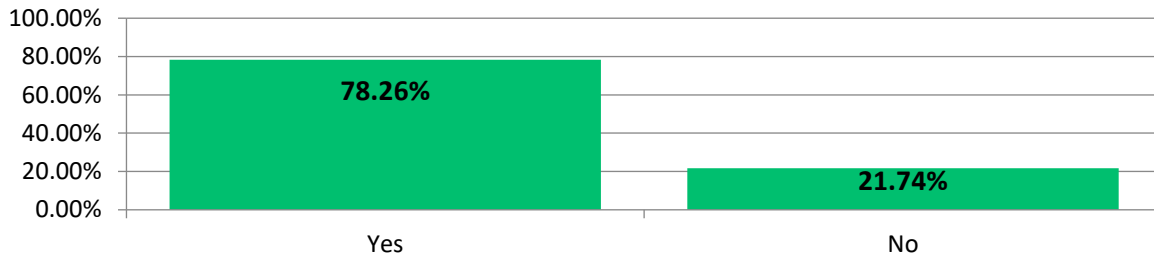
Most common reasons for employees leaving their positions provided by respondents:

- A significant pay increase (20%) was offered to an employee who left most recently; she is a bread winner in her family and could not say no
- Compensation
- Compensation (before we adjusted our pay scales)
- Found a better opportunity working in something more interesting
- Geographical relocation
- Higher salary, and almost all from CA based companies that let them work from home in Michigan
- Historically it had been for more pay or remote flexibility, but we've improved both of those measures significantly since the pandemic
- Location is often biggest reason
- More money
- More salary
- New opportunities
- No upward mobility
- Not much exiting working or projects
- Offered significantly more money
- Opportunity to work with more cutting-edge technology (ex. many data engineers want to be working with machine learning technology)
- Pay
- Salary
- Salary is the major reason for tech employees
- Stress
- The nature of consulting is too stressful
- Wanting more influence on tech/design stack
- Wanting to work remotely 100% of the time
- We have had four (4) people leave in the last year and there isn't much consistency in the reasons for leaving

30. **Is there anything more you would like to share about your recruitment, hiring, or retention process, hiring struggles, talent needs, etc. in the Ann Arbor region? (n=23)**

    Respondents supplied the following additional information related to tech talent in the Ann Arbor region:

    - The market here sometimes feels very VC-oriented and it's challenging to find good hires. Some of our most fortunate hires are folks that trail a partner who is going to U of M and looking to relocate to Ann Arbor, but we don't see that very often. The graduates we interview at U of M are usually fleeing the state immediately. Essentially the market feels very tight here, fighting brain drain, and somewhat unfavorable to smaller/mid-size companies.
    - Delivery and Design talent has been much more difficult to recruit for than Developer talent over the past few years.
    - The remote work option is allowing us to hire nationally.
    - We offer remote work options for most of our positions and talent is not an issue for us currently.
    - More in-person recruiting events. The virtual events are not as fruitful.
    - It is surprising in a university town how difficult it is to find qualified technology candidates. We have had to be willing to hire remote employees to fill many of our positions. While Ann Arbor continues to be our headquarters, we simply can't limit our recruiting to Ann Arbor and its surrounding communities.
    - Lots of boot camp graduates seem to be available but mid-senior level positions are the trickier roles to fill.

Contact Us

For more information regarding the tech talent compensation survey, wage data, workforce reports, or any other research related to the Ann Arbor region, contact Melissa Sheldon, Director of Research for Ann Arbor SPARK at melissa@annarborusa.org.

Additional Resources

Benchmarking the Ann Arbor Region: 2022

Ann Arbor SPARK recently released the fourth iteration of its Benchmarking the Ann Arbor Region report. The purpose of the report is to take the pulse of the Ann Arbor region in comparison to a specific competitive set of technology-driven communities and their economies on a regular basis. The objective is not to make policy recommendations, but to provide clear, unbiased data with regional analysis on a series of metrics that are often applied without context.

Washtenaw County Economic Outlook: 2022 - 2024

Gabriel Ehrlich and Michael McWilliams from the Research Seminar in Quantitative Economics (RSQE) at the University of Michigan presented the economic outlook for Washtenaw County during a luncheon organized by the Washtenaw Economic Club — an event that Ann Arbor SPARK is proud to sponsor. The event took place at The Kensington Hotel in Ann Arbor on March 24, 2022, and marked the return to in-person Washtenaw Economic Club events. Ann Arbor SPARK's Director of Research Melissa Sheldon, who moderated the event, provided this high-level summary of the Washtenaw County Forecast.

Automotive Technology & Mobility Sector Report

Noteworthy is the region's reputation as a vibrant hub and living lab for automotive and mobility innovation. Companies ranging in size from OEMs, such as Toyota Motor North America Research and Development, to state-of-the-art startups like May Mobility, call the Ann Arbor region home.

Technology Sector Report

Ann Arbor's technology sector has seen rapid growth over the past decade, though historically we've always been an innovator in the tech industry. The University of Michigan was part of the ARPANET research effort -- the forerunner of today's internet. Since then, the tech sector continued to evolve and grow. Today the sector includes over 370 companies and employs more than 20,000 people.

Life Sciences Sector Report

While Ann Arbor's life sciences sector has seen rapid growth over the past decade, the region has always excelled in the biotech industry. For example, the heart-lung machine used in the first heart transplant was developed and manufactured here. Another industry with strong ties to the research done at the university healthcare system Michigan Medicine, the region has a particularly large presence of medical device companies. Companies such as Terumo Cardiovascular Group demonstrate a significant level of expertise in the field. In addition to medical devices, the region is also home to a vast array of pharmaceutical, digital health, and biotechnology companies.

Research and Development in the Ann Arbor Region

Research and development is key to the success of any tech business. As an early stage startup, it may even be *the* key. That's why it's so important for local entrepreneurs like you to have a space to invent, collaborate, and innovate. Ann Arbor SPARK's startup incubator offers valuable research and development space for robotics, mobility, and tech development.

Commercial Real Estate in the Ann Arbor Region

Ann Arbor SPARK understands the concerns of businesses when it comes to relocation decisions, and the challenges site selectors face during the search. Our team can provide insights into the region and connect you to available resources.

Business Accelerator Programs

Ann Arbor SPARK's Centers of Innovation are dedicated to helping tech entrepreneurs thrive. In addition to providing an incubator space for early stage and pre-seed startups, SPARK's award-winning accelerator program offers grants, mentorship, skills training, and access to a network of business leaders and experienced entrepreneurs. The startup accelerator's goal is to help early stage companies quickly reach key milestones that often lead to angel funding and interest from venture capitalists.

SPARK Centers of Innovation

Finding the right office space at an affordable price can be challenging, especially when your team is already outgrowing its current office. Instead of rushing into something immediately available that isn't a great fit, consider Ann Arbor SPARK. We have plenty of space for your team to grow with flexible agreements — from month-to-month or something more permanent.

Soft Landing Space in the Ann Arbor Region

If your company is located outside of the Ann Arbor region and you're looking for an opportunity to enter a new market, Ann Arbor SPARK can serve as a soft landing space. Whether you're based internationally or only a few zip codes away, SPARK's soft landing program can help accelerate your

success in an affordable and supportive workspace that's both flexible and puts you at the epicenter of our tech ecosystem.

[Incubators, Accelerators, and Coworking Spaces in the Ann Arbor Region](#)

The Ann Arbor region is blooming with incubators, accelerators, and co-working spaces. Entrepreneurs and their growing companies are in constant need of space and inspiration. Between the city itself and the surrounding areas there are co-working spaces for businesses at every stage, in a variety of industries, and even for students. However, with so many choices it can be hard to determine which co-working space is right for your company. This list provides a breakdown of some of the co-working spaces Ann Arbor, Ypsilanti, and Howell have to offer.