Tech talent in South Florida: Making progress?

HIGHLIGHTS

A new survey shows Florida has healthy job gains in tech but wages and other indicators trail other states.

Several new initiatives are under way to bring more employers to the area as well as train and place job hunters in tech jobs.

Finding a well-paying position can be difficult, Miami job hunters report.
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Ivan Corchado Ruiz found himself in the job market again after the startup tech company he had been working for closed early this year.

The iOS developer — who works on the Apple platform — followed the best job-seeking practices. He went to networking events and developed contacts. He landed several job interviews, but the offers that followed came with low salaries or were temporary positions. Just as he was beginning to doubt himself and his chosen career, he received two solid offers that he is now considering.

Though his first job at a startup lasted only seven months, Corchado Ruiz said he learned a great deal on the job because the company gave him a chance. “I feel like if someone gives me an opportunity I can prove that I will be valuable. ... I wish companies in South Florida would realize they shouldn’t take advantage of you in terms of salary just because you are hungry for the opportunity.”

As South Florida works to develop a tech hub, job hunters like Corchado Ruiz often lament the difficulty of finding suitable positions, even as hiring companies say they can’t find the level of talent they need. While a disconnect may exist, a new study points to other issues. Tech salaries in the Sunshine State are 20 percent lower than the national average, it indicates. And while the state ranks high for the overall number of tech jobs, on a per capita basis Florida falls in the middle of the pack.

The nonprofit IT trade association CompTIA recently released its Cyberstates 2016 report, which provides a state-by-state analysis of the U.S. technology job market. The report found that Florida’s tech industry ranked fourth in the country, the same ranking as last year, with 311,807 tech jobs in 2015.

Between 2014 and 2015, 11,410 net jobs in tech were added — a number that ranked the state fifth in the nation for numeric growth. CompTIA’s study shows growth in Florida every year since 2010, and it is expected to continue in 2016. The average tech salary was $82,600 — 87 percent more than the state’s average private-sector wage.
“If you compare Florida and the Miami metropolitan area to the national findings, it does indicate Florida had a very strong year for tech sector employment growth,” said Tim Herbert, senior vice president of research and market intelligence at CompTIA. “If you drill down into specific areas, one of the primary growth drivers has been the IT services category. ... When you think about businesses migrating to the cloud ... or companies that need to develop a mobile app or need to refresh their website to add better e-commerce, IT services are involved in all of that.”

Still, these survey findings suggest tech could be adding even more power to the state’s economy: While Florida ranks high for the number of tech workers, it’s also the third-largest state by population. Its 3.8 percent tech job growth is impressive, but 17 states grew faster. Just 4.5 percent of the state’s jobs are tech occupations, ranking it No. 33. When it comes to tech industry concentration, or the percentage of companies that are tech companies, the state also ranks in the bottom half (No. 29) — a significant stumbling block as the region tries to create a tech hub. Indeed, many workers cite the fear of not having options should they lose their jobs.

Yet the findings can be looked at another way: In some of the states that have high-tech concentrations, such as No. 1 Oregon at 23 percent, tech plays a huge role in their economies but these economies aren’t very diversified, Herbert said: “Florida has a very diversified economy.”

LAGGING WAGES

THE AVERAGE WAGE IN THE TRI-COUNTY AREA’S TECH INDUSTRY WAS $83,720.

When it comes to tech wages, Florida also lags. According to the study, that average Florida tech-sector wage of $82,566 in 2015, about the same as in 2014, trailed the national average of $105,351. The Florida wage trailed Georgia and North Carolina by about 10 percent. Florida ranked 24th in the nation for tech wages. (California, Washington and Massachusetts topped the list at $149,335, $129,359 and $127,875, respectively.)
Reasons often cited for Florida’s lower tech wages are the absence of state income tax and a lower cost of living than in many tech hubs. Another potential reason: Although the state has a large number of tech companies — more than 30,000 — they tend to be smaller companies by employment.

For software developer Carlos Duarte, a longtime Miami resident, none of that mattered. After earning an associate’s degree in mobile applications from Miami Dade College in 2012, Duarte spent last year looking for a full-time tech job while he was doing contract work for startups and small tech companies. The salaries he was offered were low, he said, and the companies seemed to be looking for senior people at junior salaries rather than someone they might need to develop.

Once Duarte made up his mind to look outside of South Florida, the opportunities shot up — and so did the salaries. He said the job postings in San Francisco carried salaries 30 percent to 45 percent more than similar jobs here. He got interviews quickly. Once he began interviewing, he had an offer from Meltwater in San Francisco within about a month at a salary he said more than made up for the cost of living difference. He started the job in mid-March.

Duarte said local companies are missing an opportunity by not hiring and training locally grown talent, people who already live here and love the Miami culture. A good developer can learn and adapt quickly, he and others interviewed for this article said.

The CompTIA study did not include metro area statistics, but the Cyberstates researchers provided the Miami Herald with data for the Miami-Fort Lauderdale area. Trends were similar to the state overall. The average wage in South Florida’s tech industry was $83,720. The growth in tech jobs was above the state as a whole, at 4.8 percent versus 3.8 percent, from 2014 to 2015, yet the percentage of private workers in tech, 3.7 percent, trailed the state’s 4.5 percent. IT services again led the sectors, followed closely by telecom jobs. The Miami-Fort Lauderdale metro area was home to 8,165 tech firms, or about 30 percent of the state’s total.

Positions in mobile development, business intelligence analytics and e-commerce are in high demand, said John Ludwig, director of South Florida for TekPartners staffing firm. Some of South Florida’s larger tech employers include Ultimate Software, Citrix System, eBuilder, Magic Leap, CareCloud, 3C Interactive and Modernizing Medicine. Boca Raton-based Modernizing Medicine, for instance, a six-year-old healthcare software company,
employs more than 470 workers. CEO Dan Cane believes South Florida’s universities spin out plenty of top talent, but it is up to the companies here to hire and nurture it. Too often, he says, South Florida is a net exporter of its talent.

Modernizing Medicine has hired 40 interns over the past four years; about a quarter of those were offered and accepted full-time jobs. Just ask Mihai Fonoage, who was doing graduate work in computer science at Florida Atlantic University when he was hired as an intern; he joined full time after he graduated. That was 2010, and he was the first employee beyond the two co-founders.

“After the interview, I knew that this would be more than just a job, it would be a chance for me to be part of something big, something really meaningful,” he said.

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Now the Romania native is Modernizing Medicine’s senior director of Mobile Software Development, overseeing a team of 10 engineers. At a recent South Florida Technology Alliance event about tech talent that attracted dozens of students, he and other panelists advised students to complement their education with their own side projects, such as building apps, and to participate in hackathons and get involved with the local tech community.

RETENTION EFFORTS

There are several initiatives under way to ensure more locally trained tech professionals like Fonoage stay in South Florida and grow the tech economy.

The Beacon Council, in partnership with Florida International University, is creating a platform to map and market the tech community, both to companies interested in relocating here and those searching for workers within South Florida, said Lyndi Bowman, director of Economic Development for the council. At the Mobile World Conference in
Barcelona in February, the council met with 55 companies expressing interest in relocating or expanding to Miami. Last year, the Beacon Council attracted virtual reality companies AvenuePlanet and Next Galaxy and retained mobile payment company YellowPepper.

LaunchCode, a nonprofit organization that creates pathways to tech opportunities through apprenticeships, expanded to Miami last year. In its annual report, LaunchCode said 90 percent of its short-term apprenticeships were converted to full-time permanent jobs. “A statistic we are very proud of is the annual [median] salary increase pre- to post-LaunchCode is more than 3X — $17,000 to $54,000,” LaunchCode founder Jim McKelvey said in a recent Miami Herald interview. “And once you have three or four years’ experience, it can be six figures. It’s just flat-out life-changing.”

The Idea Center, Miami Dade College’s entrepreneurship hub, has been offering its version of a popular Harvard coding class, CS50X, which has provided Corchado Ruiz and more than 350 other people so far with free or low-cost education. Once students have finished the training, LaunchCode has helped them get tech jobs. Meanwhile, a Beacon Council One Community One Goal initiative called the Talent Development Network, based at FIU, is connecting students at all Miami-Dade universities and colleges with paid internships, many of them in tech.

Organizations are trying unconventional approaches to connect talent with the opportunities as well. Last month, the Arts + Entertainment District in Miami, NR Investments, The New Tropic media company and the Talent Development Network teamed up to hold a “Job Flea,” or an outdoor job fair in downtown Miami in the relaxed style of a flea market complete with music, food trucks and short talks about the job market. While job hunters in many industries turned out, some were finding that available full-time technology positions were in short supply at the inaugural fair. Nir Shoshani of NR Investments said he would like to hold another one later this year and try again to attract more companies actively seeking tech talent.

Also last month, the White House announced that Miami and 14 other communities would be joining its TechHire initiative to train and place job candidates in tech. Rick Beasley, CareerSource South Florida executive director, and Arnie Girnun, Florida Vocational Institute president, are co-chairing the TechHire.Miami initiative. More than 100 companies committed to interview qualified graduates that TechHire.Miami partners
produce. Through the program, CareerSource South Florida, LaunchCode and others are working to train and place 1,190 individuals into IT jobs by the end of 2017, and 2,415 by the end of 2020.

Students Carey MacDonald of Georgia Tech and Gregory Jean-Baptiste of FIU, who spoke at the South Florida Technology Alliance event, are getting prepared for the job market through internships, and shared their strategies with the students in the audience.

Jean-Baptiste has interned at VMWare, Sandia National Laboratories and is currently at Weston-based Ultimate Software. He said the interview at Ultimate Software lasted four hours, but worth it because the company is devoted to finding interns who will be the best fits for the teams they will be working with. “Ultimate Software challenges you to contribute meaningfully as soon as possible.”

MacDonald encouraged the students to show the companies what they are passionate about and what they can do. She interned at 3C Interactive while in high school, and since then has interned at Google twice and is now headed to Microsoft. “An internship is basically just a long interview.”

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Tech jobs: 77,678.
Tech businesses: 8,165.
Average tech wage: $83,720.
Average private sector wage, all industries: $47,700.
Average U.S. tech wage: $105,351.
Leading industry sector: IT services.
Leading tech occupations (regardless of industry): Software developers, computer support specialists.
Source: CompTIA
ADDITIONAL RESOURCES

• Talent Development Network: This effort of the Beacon Council’s One Community One Goal program is an internship network for Miami-Dade County college students.

• LaunchCode (launchcode.org/miami): Nonprofit matches promising workers with more than 100 partnering companies for short-term apprenticeships. Accepting applications now.

• Coding Schools: Wyncode and IronHack hold intensive in-person boot camps lasting eight or nine weeks.

• Youth coding programs: Code Fever, Girls Who Code, CODeLLA and Black Girls Code all offer coding programs for youth.

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