What Tech Workers Tell Us About Tech & The Future

Brunswick Insight conducted an online survey of n=300 Tech Workers in the San Francisco Bay Area January 25 – February 8 2019.

The purpose of the survey was to quantify attitudes towards the health of the tech industry, market opportunities, impending threats, confidence in leadership, and the importance of strategic communication.
#1 OPTIMISM
Better Days Are Ahead

#2 BETTER TOMORROW
Technology Is Good For Society

#3 WE'RE HIRING
Expected Increase In Hiring

#4 YOUTH EXODUS
Millennials Leaving The Bay Area

#5 BAY AREA RIVAL
Regional Competition Expected

#6 PEOPLE + CULTURE
Talent & Culture Make The Bay Unique

#7 BIG IDEAS
Ideas Are Adopted and Rewarded

#8 OUT IN THE OPEN
Willingness To Speak Out If Values Are Neglected

#9 LEADERSHIP MATTERS
Need For Strong, Visionary Leaders

#10 RACE TO AI SUPREMACY
Expectation AI Will Drive Innovation
Despite negative media coverage the tech community has endured over the past year, optimism for the future among tech workers remains high, especially given encouraging views of the business climate in the Bay Area.
Q: Thinking specifically about the Bay Area, do you think the tech industry’s best days are...

Q: How would you rate overall business conditions for tech companies in the Bay Area today?

Bay Area Tech Industry’s Best Days Are....

Overall Business Conditions Today

- Excellent: 26%
- Good: 57%
- Fair: 16%
- Poor: 1%
Optimism is driven by a strong belief that innovations and products from tech companies are GOOD for society, but most expect MORE regulation in the next 5 years.
Workers Believe They Are Making Contributions to Society

Impact of Technology on The World

- More Bad: 18% (82%)
- More Good: 77% (16%)

Agreement "Makes The World A Better Place"

- Disagree: 7% (77%)
- Agree: 16% (18%)

Expected Change in Gov’t Regulation

- More Regulation: 55%
- About The Same: 32%
- Less Regulation: 13%

Q: Thinking about the impact major technology companies and their products and services have had on society, do you think that impact has been more good than bad, or more bad?

Q: Do you agree or disagree that technology companies in the Bay Area make the world a better place?

Q: Thinking about the role of government in regulating major technology companies in the next 5 years, do you think technology companies will be regulated more, less, or the same?
Optimistic outlooks on the health of the tech industry are expected to continue over the next 12 months, as companies plan to add additional staff – hiring is expected to be strongest among smaller, private firms.
Growth Is Expected to Continue Into The Next Year

71% Private

61% Public

Q: To the best of your knowledge, over the next 12 months, will the total number of employees at your company...

Expected Change in Company Employees

- 55% Adding Staff
- 18% Maintaining Staff
- 15% Cutting Staff
Despite optimism about the future and expectations of hiring in the coming year, many younger tech workers are planning to leave the Bay Area in the next 12 months, creating a tension between growth expectations and employee retention.
Exodus of Young Employees

Q: In the next 12 months, do you plan to leave the Bay Area to live in a different region?

Plans to Leave The Bay Area in The Next 12 Months

- 18-34: 41%
- 35-44: 26%
- 45+: 7%

February 14, 2019
Quest to leave Bay Area’s high prices and traffic grows...

February 25, 2019
Silicon Valley tech boom continues, but residents are exiting costly...
Bay Area tech workers anticipate other regions will compete as innovation hubs. 49% of workers expect a serious rival to Bay Area Tech in the next 5 years, with the most likely rival expected to be China.
Q: Will any other area of the world emerge as an innovation rival to the Bay Area/Silicon Valley over the next 5 years?
Q: In the next 5 years, do you think technology companies based in China will be more or less of a competitive threat to Bay Area technology companies?

Silicon Valley Rivals Will Emerge

41%

Expect A Serious Rival To Bay Area Tech in Next 5 Years

Expected Competition from China in Next 5 Years

- More of a Competitive Threat: 74%
- Less of a Competitive Threat: 26%
Although a regional rival is expected, the view is that the Bay Area is difficult to replicate. Workers say that the concentration of talent and a culture open to new ideas are the main two reasons, more important than VC money or a concentration of world class universities.
People & Culture Are Unique to The Bay Area

Hardest Part of the Bay Area to Replicate:

People & Culture

Q: Which ONE of the following is hardest to replicate in other regions?

People & Culture: 57%
Other: 43%

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An open culture matters. 68% say they would be rewarded for a big idea at work, compared to only 49% of US employees who say the same.
Q: If you had a big idea at work that would give your company a significant advantage in its market, and you shared that idea with your company, which ONE statement below best describes what would happen next?

Big Ideas are Rewarded and Adopted

<table>
<thead>
<tr>
<th></th>
<th>% Rewarded for Idea</th>
<th>% Idea Would Be Adopted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech Workers</td>
<td>68%</td>
<td>74%</td>
</tr>
<tr>
<td>US Employees</td>
<td>49%</td>
<td>59%</td>
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</tbody>
</table>

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An open culture also means that Bay Area tech workers will speak out and act out against things that violate company values.
Workers are Ready to Voice Their Concerns

Despite a generally open and honest culture, 70% of Bay Area tech workers would speak out publicly about their company if they felt their company was not behaving in line with its values. Is there a workplace culture revolution on the horizon?

Would Speak out Publicly
- 70%

Would Leak to the Media
- 41%

Q: Would you speak out publicly about your company if you felt the company was not behaving in line with its values and the general code of conduct?

Q: If you did not trust senior management to behave in line with your company’s values, would you leak information to the media?
There is strong support and trust in senior leadership, but trust and opinions of CEOs/Founders are dependent on transparent, frequent communication about business strategy.
Tech Workers Believe in Their Leadership

Q: Do you trust your company’s leadership to be successful with its business strategy?
Q: Do you have a positive or negative opinion of your company’s CEO/Founder?

<table>
<thead>
<tr>
<th>Frequency of Communication With Employees About Business Strategy</th>
<th>Positive Opinion of their CEO/Founder</th>
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<tbody>
<tr>
<td>Very Frequently</td>
<td>86%</td>
</tr>
<tr>
<td>Somewhat Frequently</td>
<td>76%</td>
</tr>
<tr>
<td>Not Frequently</td>
<td>55%</td>
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</tbody>
</table>

Trust Company’s Leadership to Execute Business Strategy

- 14% Very Frequently
- 86% Somewhat Frequently
- 55% Not Frequently

Positive Opinion of their CEO/Founder

- 26% Very Frequently
- 74% Somewhat Frequently
- 14% Not Frequently
Tech workers overwhelmingly believe AI is the next big tech advance. Is it winner take all?
Artificial Intelligence is the Next Big Technological Advance

<table>
<thead>
<tr>
<th>Technology</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>AI / Artificial Intelligence</td>
<td>38%</td>
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<tr>
<td>Autonomous Driving</td>
<td>10%</td>
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<tr>
<td>Robotics</td>
<td>5%</td>
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<tr>
<td>Smart Phones / Cellular Networks</td>
<td>5%</td>
</tr>
<tr>
<td>VR / Virtual Reality</td>
<td>5%</td>
</tr>
<tr>
<td>IoT / Internet of Things</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>33%</td>
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Q: Which ONE technology will be THE most transformative over the next 10 years?