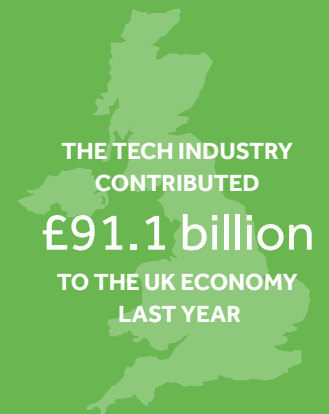


The digital economy is the key to economic growth and global competitiveness in every sector. The UK's digital economy is booming – in 2014 the tech sector alone created an extra 77,000 jobs across the UK. Meanwhile, the tech industry contributes over £91 billion to the UK economy, and every other industry benefits from improvements to productivity, performance and profitability that come from utilising technology for competitive advantage.



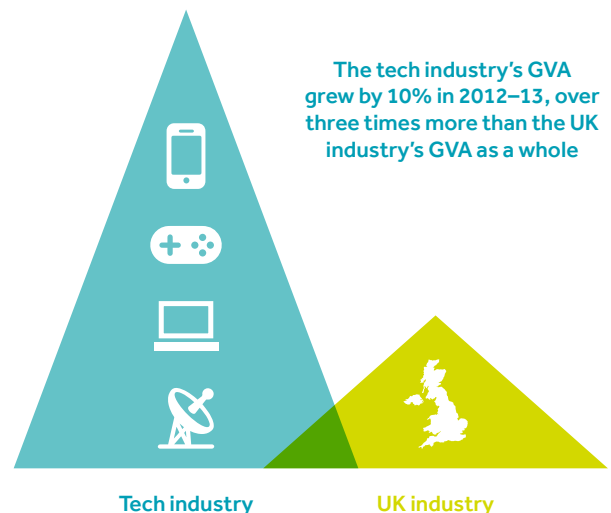
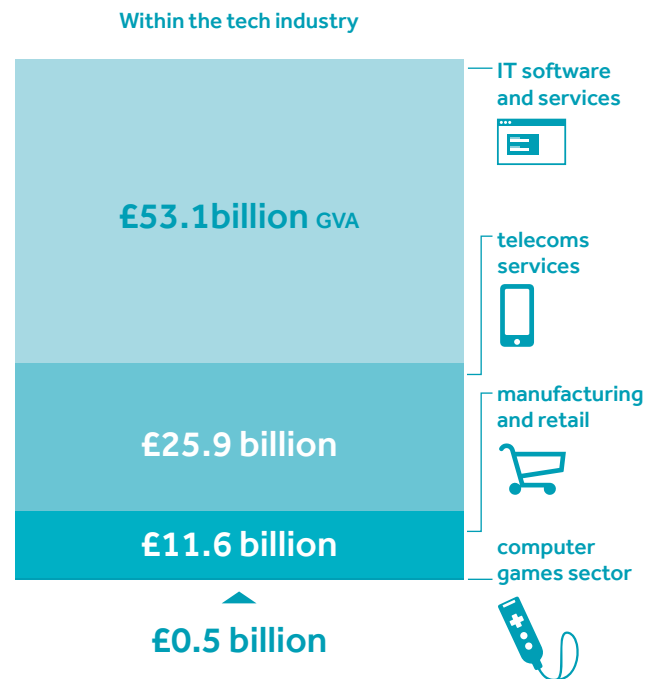
THE DIGITAL ECONOMY

The tech industry is just one part of the burgeoning digital economy, and one of the UK's most valuable industries. As well as the direct contribution of tech enterprises, tech specialists work and support economic growth in every industry.



Measured by Gross Value Added (GVA), that £91.1 billion is 6% of the UK's total economy – more than the construction industry, double that of the legal and accounting services industry, and three times that of the sports and recreation, film, television and gambling industries combined

The Gross Value Added per person working in the tech industry was **£91,800** in 2013 – compared with **£51,300** for the average UK worker



THE DIGITAL WORKFORCE

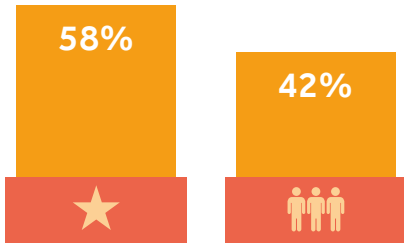
Over 1.7million people work in the tech sector, and the workforce continues to grow year on year. Tech specialist roles are driving the rapid increase, as more and more programmers, software developers and IT engineers are employed across every industry.



The UK's total tech workforce comprises 1,726,000 people, 5% of the entire UK workforce

There are **1,278,000** people employed in tech specialist roles.

1,073,000 people work directly in the tech industry. The tech industry workforce itself is split almost down the middle between tech specialists (58%) and other workers (42%)



627,000 (49%) tech specialists have jobs in the tech industry itself, whilst the other **651,000** work in other industries across the breadth of the UK economy



Across the tech industry, almost two-thirds of people (691,000) are employed by IT software and services companies. 192,000 people are employed in telecoms services, 164,000 in IT and telecoms manufacturing and retail and 26,000 by computer games companies



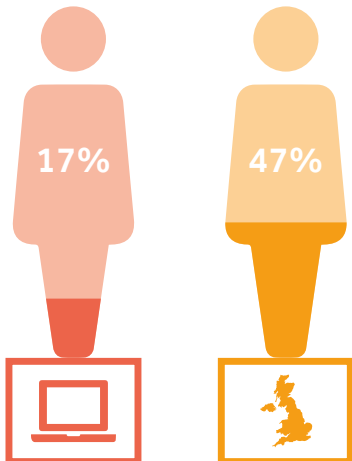
Among tech specialists, one in five (277,000) people work as programmers or software developers – an increase of 13% over the previous year. The number of IT engineers rose by 38% in 2014 to 45,000, while the number of project and programme managers increased by 24,000

6%

Overall, the number of tech specialists grew by 6% (71,000) in 2014

work in other industries across the breadth of the UK economy

Women are hugely underrepresented in the tech specialist workforce – just 17% of people employed in tech specialist roles are women, compared with 47% for the UK workforce as a whole



When it comes to the tech industry itself, the proportion is even lower, with women filling just 13% of tech specialist roles



Tech specialists are more likely to be employed on a full-time basis than the UK workforce as a whole (93% full-time versus 73%)



Almost three-quarters (70%) of tech specialists are employed in professional roles compared with 20% for the workforce as a whole



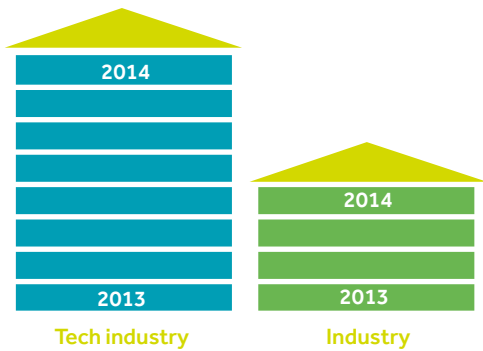
Two-thirds (68%) of tech specialists hold degree or HE-level qualifications, compared to 42% in the workforce as a whole

DIGITAL ENTERPRISE

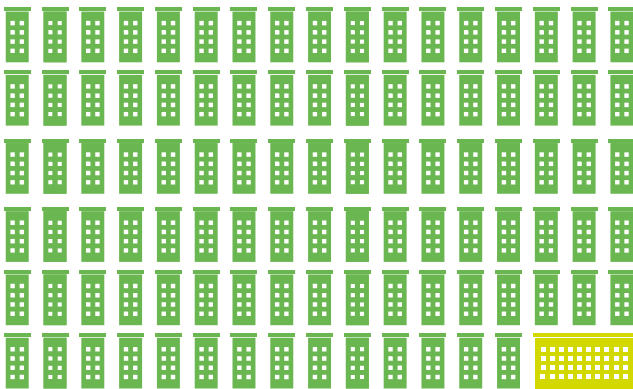
The growth in tech enterprises in the UK continues to outpace other industries – though the location of tech companies is increasingly London and the South East.



There are **158,400** tech enterprises in the UK

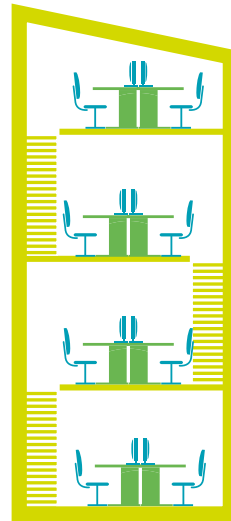


Expansion shows no signs of slowing down – the number of tech enterprises grew by another 8% in 2013/14, double the rate of industry as a whole



Like most industries, more than 99% of tech enterprises are classed as SMEs – with fewer than 250 employees. The vast majority of tech enterprises (94%) have fewer than 10 people working for them...

The number of tech enterprises grew by **11%** between 2008 and 2013 – over **15,000** new tech businesses. The total number of enterprises in the UK increased by just **0.3%** in that period



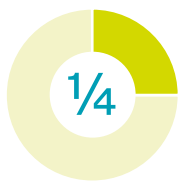
x 29,000

Growth in software development has been responsible for the biggest share of tech growth – 29,000 companies are now primarily focused on software development, up more than 150% in the past five years

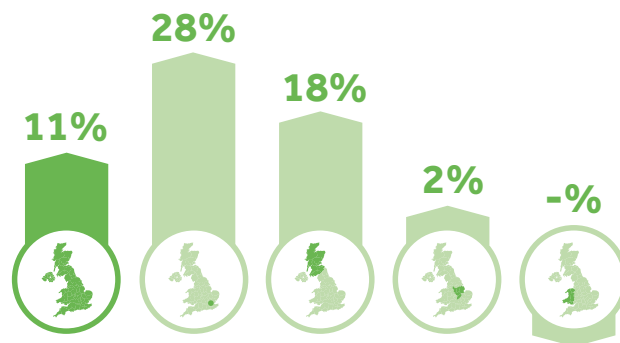
More than half (51%) of tech enterprises are IT consultancies



...But more than half of all people working in the tech industry are employed by the largest 500 companies



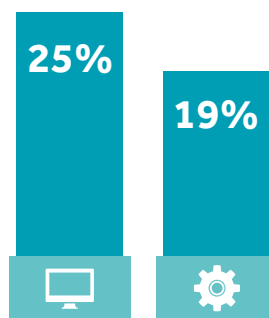
One in four tech enterprises are based in London, and almost half in either London or the South East. The tech industry is skewed more heavily towards London and the South East than other industries – just a third of total UK enterprises are based in those regions



Although the total number of tech enterprises grew by 11% in the five years to 2013, that growth wasn't uniform across the country. The number of tech enterprises in London rose by 28% in that period, and the number in Scotland by 18%. In contrast, the number of tech enterprises in the East Midlands rose by just 2%, while in Wales the number actually fell slightly



Scotland, Wales and Northern Ireland are home to just 8% of the UK's tech enterprises, compared with 14% of total enterprises



A quarter of all tech enterprises are less than 2 years old – compared with 19% for industry as a whole



10+ years

IT and telecoms manufacturing enterprises are the most likely to be long established, with more than half having been trading for more than 10 years

KEY TERMS DEFINED

Tech enterprise

A company whose primary business is in IT or telecoms.

Tech industry

All tech enterprises in the UK. The industry can broadly be broken down into companies whose focus is on IT software or services, telecoms services, computer games, or IT or telecoms manufacturing and retail.

Tech specialist

An employee in any industry working in an IT or telecoms role in management, professional, technical or skilled occupation.

Tech sector

The tech industry plus tech specialist workers in other industries.

Gross Value Added

A measure of contribution to the economy. Broadly calculated as revenue generated by a service or product less the associated input costs involved in production.

The data in this report comes from the Tech Partnership analysis of ONS data. Further details of all statistics quoted here are available on the website.

The Tech Partnership is a growing network of employers, collaborating to create the skills to accelerate the growth of the digital economy. Taking forward the work of e-skills UK, it is recognised by the government as the Industrial Partnership for the Information Economy. It acts for the good of the sector by inspiring young people about technology, accelerating the flow of talented people of all backgrounds into technology careers, and helping companies to develop the technology skills they need for the future. For further information please visit thetechpartnership.com