# Snyk prioritises local talent amid outsourcing trends in Boston's tech industry



Recent trends among Boston’s software companies have been marked by a strategic shift towards maintaining domestic talent, even amidst the allure of overseas engineering labour. In 2023, companies such as Wayfair and Rapid7 have established technology and security operations centres in India and the Czech Republic, respectively, as part of a wider industry trend aimed at reducing operational costs.

However, Snyk, a Boston-based cybersecurity startup, has chosen a different path. In discussions last year focused on hiring additional software engineers, the firm's leadership decided against the prevailing trend of outsourcing and instead opted to invest in local talent, planning to create hundreds of high-paying jobs in downtown Boston.

The decision was chiefly informed by the presence of a robust pool of skilled software engineers specialising in critical areas pertinent to Snyk’s operations, whichcentre on ensuring that the software developed by its clients is secure from potential hacking vulnerabilities. Brian Rogan, the newly appointed executive vice president of engineering at Snyk, highlighted the Boston area's unique strength in sectors that align with the company’s needs.

“The Boston area has these clusters where it punches way above its weight,” Rogan said. He identified three key sectors that are particularly relevant: networking infrastructure, software security assessment, and artificial intelligence applications. Notably, many engineers in these fields hail from high-profile local companies, including Akamai Technologies, Amazon, and Google.

Snyk’s decision to prioritise quality over cost is significant, especially as the company scales its operations to meet the demands of its clientele, which includes major corporations and financial institutions like the New York Stock Exchange. “It’s very much about the quality of engineering,” Snyk’s chief executive Peter McKay remarked, emphasising the need to attract the best talents as the company evolves from a startup to a larger, more impactful business.

Founded in 2015 by cybersecurity expert Guy Podjarny, Snyk has faced its share of challenges, notably reducing its valuation from $8.5 billion in 2021 to below $7.5 billion and undertaking multiple layoffs by early 2023. Despite these setbacks, the recent surge in high-profile cybersecurity incidents—such as the MOVEit attack which compromised data from firms like Putnam Investments and British Airways—has spurred renewed interest in Snyk's services.

Currently, Snyk employs approximately 250 staff in Boston, with ambitions to double this number by the end of 2026. Tufts University computer science professor Daniel Votipka noted the complex nature of tracking vulnerability alerts, pointing out that Snyk’s services help clients identify and mitigate risks associated with vulnerable software libraries.

Amplifying the company’s growth prospects is the rise of generative AI tools that expedite coding processes, which has proved beneficial for Snyk’s cloud-based security scanning application that leverages this technology. McKay disclosed that this product is generating over $100 million in annual recurring revenue.

While the stock market has recently shown reluctance towards software IPOs, with no Boston tech companies having gone public in the last year, McKay remains optimistic. Although he acknowledges a potential future initial public offering, he stated, “We’re in no hurry,” expressing a desire to assess market conditions before proceeding.

At 61, McKay reflects on his extensive experience leading multiple tech startups throughout the highs and lows of the industry. He expressed a commitment to bolstering the information technology sector in Boston, stating, “We are doing whatever we can to build the IT tech sector in Boston.”

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://bostonrealestatetimes.com/boston-ranks-7-in-cbres-annual-scoring-tech-talent-report/> - This article supports the claim that Boston has a robust pool of skilled tech talent, ranking seventh in CBRE's Scoring Tech Talent report, which highlights its strong educational institutions and tech industry growth.
* <https://www2.deloitte.com/us/en/insights/topics/talent/overcoming-the-tech-talent-shortage-amid-transformation.html> - Deloitte Insights discusses the tech talent shortage and the competitive market for tech workers, which aligns with the strategic decisions of companies like Snyk to invest in local talent.
* <https://www.bcg.com/publications/2023/the-race-for-tech-talent-has-not-stopped> - BCG's publication highlights the ongoing competition for tech talent, emphasizing strategies for attracting and retaining top talent, which is relevant to Snyk's decision to prioritize quality over cost.
* <https://www.crunchbase.com/organization/snyk> - Crunchbase provides information on Snyk's founding, funding, and valuation history, supporting the article's details about the company's background and challenges.
* <https://www.akamai.com/> - Akamai Technologies is mentioned as one of the high-profile local companies contributing to Boston's tech talent pool, particularly in networking infrastructure.
* <https://www.amazon.jobs/> - Amazon is another major company with a presence in Boston, contributing to the area's tech talent, especially in software security and AI applications.
* <https://about.google/> - Google's presence in Boston also adds to the region's tech talent pool, with engineers specializing in AI and software security.
* <https://www.tufts.edu/> - Tufts University is mentioned as a source of expertise in computer science, with professors like Daniel Votipka commenting on cybersecurity challenges.
* <https://www.nyse.com/> - The New York Stock Exchange is mentioned as one of Snyk's major clients, highlighting the company's role in securing software for financial institutions.