# Salesforce hiring slows as AI reshapes software engineer job market



The ongoing discourse surrounding the impact of artificial intelligence (AI) on the job market for software engineers has intensified recently, particularly as major tech companies begin to openly acknowledge the extent of AI's influence. Initially, proponents of AI argued that these technologies would simply augment human workers, enhancing productivity without necessarily shrinking the workforce. However, as prominent firms like Salesforce reveal that they are hiring fewer employees due to productivity increases facilitated by AI, the narrative is shifting toward a more concerning reality, especially for entry-level positions within the technology sector.

Salesforce's Chief Financial and Operations Officer, Robin Washington, recently shared in an interview with Bloomberg that the company's deployment of AI tools has led to a noticeable reduction in the demand for software engineers. She noted, “We view these as assistants, but they are going to allow us to hire fewer people and, hopefully, make our existing team more productive.” This statement underscores a broader trend among large tech firms who are implementing AI in ways that may fundamentally alter the landscape of tech employment. Reports indicate that entry-level job opportunities in tech are dwindling, particularly as millions of students, especially from regions like India, prepare to enter the workforce. The recent increase in AI use has resulted in a stark decline in job prospects for fresh graduates, a scenario echoed in numerous sector analyses.

A report by Oxford Economics has shed light on a growing phenomenon referred to as a "white-collar recession," which suggests that the unemployment rate among recent graduates is rising even in a context of overall low national unemployment. The data indicates that entry-level positions, often seen as stepping stones into the workforce, are increasingly susceptible to automation. Matthew Martin, the report's author, articulates this shift that challenges the once-secure path offered by a computer science degree and could potentially lead to a decline in tech graduates as concerns about employment stagnation mount.

Moreover, data from industry sources has recently revealed that major tech companies are significantly reducing their intake of recent graduates. Figures show that recent graduates constituted just 7% of new hires in 2024, a marked decrease from previous years, highlighting a trend that has been further solidified by AI's incursion into job functions traditionally held by humans. Although some companies continue to hire, the changing dynamics indicate a slow but steady shift towards reliance on AI-driven solutions.

The broader implications of AI advancement on the workforce are echoed by executives from various tech giants. At Microsoft, for instance, CEO Satya Nadella stated that AI is now responsible for generating 20% to 30% of code in ongoing projects. Meanwhile, Meta CEO Mark Zuckerberg has expressed plans for AI to be involved in up to half of all software development processes within the foreseeable future. This reliance on AI is not merely a passing trend; rather, it is indicative of a significant transformation in how tech companies are approaching coding and software development.

Anthropic's CEO, Dario Amodei, has voiced concerns regarding the rapid progression of AI capabilities, which could precipitate widespread job displacement across numerous sectors. Amodei warns that technology with near-human coding and task execution capabilities poses a serious threat to many mid- to low-level job functions. As companies continuously opt for AI over human labour, the risk of unprecedented inequality looms large in the absence of proactive governmental and industrial intervention.

While discussions of potential job losses due to AI adoption dominate conversations, some experts remain optimistic about the future landscape. They suggest that AI may ultimately lead to the creation of new roles that focus on supervising and orchestrating this new technology rather than directly competing with it. GitHub has reported that 92% of U.S. developers now utilise AI tools, indicating a significant trend towards integration rather than outright replacement. Nonetheless, the immediate reality underscores a pressing need for professionals in the tech field to adapt to the evolving demands shaped by AI technologies.

As large corporations invest billions in AI infrastructure, the disconnect between training and opportunities in the job market continues to pose significant challenges. The recent waves of layoffs across sectors, including the tech realm, further highlight the need for a careful examination of how AI is reshaping employment. With more than 62,000 tech workers reported to have lost their jobs this year alone, the landscape for software engineers and coders appears precarious, ushering in a new era of uncertainty influenced by the rise of artificial intelligence.

## Reference Map:

* Paragraph 1 – [[1]](https://indianexpress.com/article/technology/tech-news-technology/ai-taking-tech-jobs-sofware-engineers-10035331/), [[2]](https://www.axios.com/2025/05/29/ai-college-grads-work-jobs)
* Paragraph 2 – [[1]](https://indianexpress.com/article/technology/tech-news-technology/ai-taking-tech-jobs-sofware-engineers-10035331/), [[2]](https://www.axios.com/2025/05/29/ai-college-grads-work-jobs), [[5]](https://www.ft.com/content/8069b127-8589-4f06-9c38-8e0216c6fd9c)
* Paragraph 3 – [[4]](https://www.axios.com/2025/05/28/ai-jobs-white-collar-unemployment-anthropic), [[3]](https://www.ft.com/content/cb9ea970-e6de-4daf-aa9e-7a48d5e648c3)
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## Bibliography

1. <https://indianexpress.com/article/technology/tech-news-technology/ai-taking-tech-jobs-sofware-engineers-10035331/> - Please view link - unable to able to access data
2. <https://www.axios.com/2025/05/29/ai-college-grads-work-jobs> - A recent report by Oxford Economics highlights that artificial intelligence (AI) is contributing to increased unemployment among recent college graduates in the U.S. Despite a relatively low national unemployment rate, joblessness among young graduates has risen disproportionately. The study provides concrete data supporting concerns that AI is beginning to replace entry-level white-collar jobs, a trend referred to as a 'white-collar recession.' Matthew Martin, the report’s author, notes that roles traditionally seen as gateways into the workforce are increasingly being automated, affecting tech roles and college-educated workers. This shift challenges the perception of a computer science degree as a secure career path and may lead to a decline in the number of tech graduates, underscoring broader apprehensions about AI’s impact on the future job market.
3. <https://www.ft.com/content/cb9ea970-e6de-4daf-aa9e-7a48d5e648c3> - The article discusses the ongoing transformation in the job market due to the growing integration of artificial intelligence (AI) in businesses. Companies are widely experimenting with AI applications, including customer service chatbots and data analysis tools. However, the success rate of these projects remains uncertain, with studies estimating up to an 80% failure rate. The tech industry is already feeling the effects, with firms like Microsoft and Duolingo making significant layoffs as they shift towards AI-first strategies. Despite concerns about widespread job losses, many AI-related changes are still in early stages, and some attempts—such as digital customer service agents—have backfired, prompting renewed human hiring. Long-term, AI adoption in tech is evident and affecting job categories; Microsoft claims 30% of its code is now AI-generated, and postings for developers have dropped to a five-year low. Yet, one in four U.S. tech job postings now require AI knowledge, offering opportunities for retraining and skill augmentation. The article concludes that although disruptive, AI will likely lead to new job creation and innovation, much like the recovery that followed the dotcom bubble burst.
4. <https://www.axios.com/2025/05/28/ai-jobs-white-collar-unemployment-anthropic> - Dario Amodei, CEO of AI company Anthropic, has issued a stark warning about the imminent threat artificial intelligence poses to white-collar employment. Speaking candidly after launching his own advanced AI system, Claude 4, Amodei highlighted how technology capable of near-human coding and task execution is progressing rapidly, with the potential to trigger a sudden, large-scale job displacement. Despite AI's power to achieve immense societal benefits, it also presents immediate economic dangers, including job automation across a broad range of professions. Amodei fears mass unemployment could unfold virtually overnight as companies opt to replace rather than hire workers, possibly leading to unprecedented inequality. While some, including OpenAI’s Sam Altman, remain optimistic based on historical patterns of technological transformation, Amodei and others stress the urgent need for government and industry to act preemptively. Proposed solutions include mechanisms like a “token tax” to redistribute AI-generated wealth. The overarching message: AI’s trajectory is irreversible, but with strategic guidance, its impact can be steered more equitably.
5. <https://www.ft.com/content/8069b127-8589-4f06-9c38-8e0216c6fd9c> - Artificial intelligence continues to revolutionize the software industry, with major players like OpenAI, Anthropic, Google, and Meta accelerating development of advanced code-generating systems. OpenAI's recent release of the GPT-4.1, o3, and o4-mini models showcases significant improvements in programming problem-solving, including enhanced reasoning capabilities. Notably, OpenAI launched Codex CLI, a free AI tool to aid users with coding tasks. As large language models (LLMs) increasingly demonstrate superiority in software development, AI's transformative potential in this domain is becoming evident. AI's coding proficiency has surged, illustrated by the SWE-bench test results, with successful problem-solving improving from 4.4% in 2023 to 69.1% in 2025. GitHub reports that 92% of U.S. developers now utilize AI tools. Start-ups like Reflection AI, Cursor, and Poolside have raised substantial funding to tap into the growing demand for AI coding tools, signaling a rapidly expanding market. Industry experts foresee AI as a complementary tool that enhances developers' efficiency, shifts coding roles toward orchestration and ideation, and democratizes software creation. Despite the advances, experts agree that coding as a profession will adapt rather than disappear.
6. <https://www.axios.com/2025/05/20/ai-agents-software-programming-coding> - A new generation of AI coding agents promises to automate routine programming tasks, potentially transforming the tech industry workforce by reducing the need for human coders in repetitive work. Microsoft recently announced an AI agent for GitHub Copilot designed to handle 'time-consuming but boring tasks.' While this could enhance productivity, concerns persist about the accuracy and reliability of AI-generated code, which may contain unseen errors or hallucinations. As such tools extend beyond Silicon Valley, skepticism remains about their effectiveness in broader business contexts. Despite anticipated efficiency gains, foundational software development challenges—such as unclear specifications and misinterpretation of user needs—may not be resolved by automation. The future may see a shift toward 'vibe coding,' where developers use AI to rapidly prototype ideas in an exploratory, improvisational manner. While AI will allow for more code to be written with fewer people, it's still uncertain where competitive advantages will emerge as the tech landscape evolves.