LUNEUS

2026 TEXAS SPACE PROPULSION GUIDE

THE 2026 TEXAS SPACE PROPULSION TALENT CRUNCH

What We Are Noticing

Texas is entering a defining period for its space propulsion workforce. Salaries are rising 3–5% annually (faster than the national average) while demand for propulsion, avionics, and systems engineers continues to outstrip supply.

The sharpest shortages are emerging in propulsion test, GNC, and embedded flight software roles, where projects depend on experience that can't be quickly replicated.

We've pulled together the data, our observations and solutions. Drawing on current data and market insight, this report outlines the critical 2026 workforce challenges and the practical actions companies can take to stay ahead of them.

Key Takeaways You Need to Know

Wage Acceleration Is Outpacing Budgets

Senior propulsion engineers will reach $175K–$190K by 2026, forcing employers to adjust pay mid-cycle to stay competitive.

Test & Systems Engineers Are the Bottleneck

Filling propulsion test and systems roles now takes 6–9 months, with every Texas launch firm competing for the same scarce experts.

Clearance & Location Constraints Limit Supply

Only 0.6% of Americans hold a clearance, and most propulsion work requires U.S. citizenship—leaving local pipelines severely strained.

SALARY SHIFTS

Space propulsion salaries are climbing faster than the national average, signaling an industry-wide war for engineering talent.

Propulsion Engineers

Junior	$95K in 2025	→	projected ~$100K in 2026 (+12% since 2023)
Principal	$165K in 2025	→	projected ~$175K in 2026 (+10%)
Manager	$170K in 2025	→	projected ~$180K in 2026 (+10%)

Avionics Engineers

Junior	$90K in 2025	→	~$95K in 2026 (+13%)
Principal	$160K in 2025	→	~$170K in 2026 (+10%)

Mission Systems Engineers

Mid/Senior	$140K in 2025	→	~$150K in 2026 (+8%)
Lead/Manager	~$175K–190K by 2026		

Hotspot adjustments: Southern California and Seattle pay ~10% above U.S. average; Alabama/Florida ~10% lower.

These salary trends signal that 2026 will reward companies who plan compensation early and use data to stay competitive.

LOCATION TRENDS

Texas continues to emerge as a balanced-cost, mid-range salary hub in U.S. space employment. Houston leads in human spaceflight and systems integration, while Austin attracts NewSpace ventures. Competition for software and avionics talent is intensifying, driven by overlapping demand from the tech sector. However, specialized test and propulsion roles at remote sites like McGregor remain difficult to fill.

Compared nationally, **Texas sits between high-cost coastal hubs and lower-cost legacy regions, offering employers a cost-effective, competitive base for sourcing and retaining talent.**

- Major hubs like Los Angeles, Seattle, and Denver continue to lure Texas engineers with higher pay and faster program growth.
- Mid-career propulsion and systems talent are the most frequently poached, drawn by equity and advancement opportunities.
- Tracking competitor hiring and relocation trends helps forecast attrition risk and identify feeder markets for recruitment.

OTHER KEY HUBS AND THEIR 2026 DYNAMICS FOR BENCHMARKING:

- **SoCal (LA/Mojave):** Largest cluster, 10% above national median.
- **Seattle:** Premium salaries (~$150K mean).
- **Colorado:** Clearance-heavy, expected 2026 boom to outstrip local supply.
- **Florida:** Lower salaries (90 index), increasing competition from new entrants.

Competition for engineers is intensifying as coastal hubs raise pay and local tech companies vie for the same skills.

Tailoring hiring and incentive strategies by sub-region prevents one-size-fits-all plans that miss local talent nuances.

Together, these dynamics show that Texas can compete — but must be proactive about retention and sub-regional hiring strategies.

SKILLS GAPS

Propulsion Engineers:

- Most acute shortage; only a handful of experienced professionals from sites like SpaceX McGregor and NASA Stennis.
- Hiring takes 6–9 months; often positions unfilled until juniors are trained internally.
- Root cause: retirements + limited real-world test exposure for new grads.

Avionics & Embedded Flight Software:

- Shortage driven by Big Tech competition.
- Flight software engineers earn 20–30% above market in hotspots.
- Lead times: 4–6 months to fill.

Mission Systems / Systems Engineering:

- Scarcity of integrators who can span subsystems (propulsion, GNC, software).
- Hiring lead times ~9+ months for senior roles; many veterans rehired post-retirement.

Without new training pipelines, these shortages threaten to stall program execution across Texas launch and spacecraft initiatives and drive the need for earlier, wider, and faster recruiting approaches.

PREDICTED 2026 CRITICAL ROLES

- Propulsion Manufacturing Manager
- Lunar Lander Integration Lead
- Constellation Operations Architect
- Hypersonic Vehicle GNC Engineer
- Commercial Space Station Systems Engineers
- AI/Autonomy Software Engineers (Spacecraft)

Texas companies should pre-identify candidates and build relationships for these roles in advance.

FUTURE PRESSURE POINTS

SECURITY CLEARANCE SCARCITY

Only ~0.6% of the U.S. population holds a clearance; just ~2 million active overall, creating extreme competition.

INTEGRATION AND TEST BOTTLENECKS

As launches rise from 157 (2024) → ~172 (2025), capacity and staffing for test operations will become a limiting factor.

AGING WORKFORCE:

Retirements accelerating in propulsion and systems engineering, draining mid-level expertise.

OVER-HIRING RISKS

Some firms expanding faster than funding allows, particularly in small-launch and LEO markets.

TEXAS-SPECIFIC:

Competition for software and test engineers intensified by proximity to energy and tech industries; geographic draw challenges for remote test sites.

WORKFORCE STRAIN AND TESTING CAPACITY

The next 18 months will expose major constraints in propulsion hiring and testing. A sharp rise in launch cadence is stretching existing test teams to their limits, while retirements among senior engineers are eroding the technical base needed to sustain output and reliability. Without reinforcements or process efficiencies, propulsion test operations risk becoming a key schedule bottleneck by 2026.

> **Without targeted pipeline partnerships and proactive salary adjustments, 2026–27 could see chronic delays linked to workforce bottlenecks rather than hardware readiness.**

MARKET AND CLEARANCE PRESSURES

Security clearance limitations and local competition from Texas's energy and IT sectors are further tightening the talent pool. Clearance backlogs leave mission-critical systems roles underfilled, while rising private-sector demand draws engineers away from aerospace. Without targeted pipelines and competitive pay adjustments, 2026–27 could see persistent program delays driven by workforce shortages rather than hardware readiness.

> **Recognizing these pressure points now is the key to building teams that can meet 2026's mission demand.**

HERE'S WHAT YOU CAN DO

Texas companies can compete with proactive strategies and planning ahead now. By widening the talent pool, prioritizing critical roles, accelerating hiring, and building early pipelines, you can stay ahead of 2026's talent crunch.

Here are the proven solutions we've seen working:

PARTNER WITH UNIVERSITIES

Build relationships with key Texas engineering programs (UT Austin, Texas A&M, UTA, UH) through internships, sponsored projects, and co-ops. Bringing in junior engineers now is the fastest way to grow your own mid-level pipeline for 2026–2029, while strengthening your brand visibility on campus.

TIGHTEN YOUR HIRING WINDOW TO 15 DAYS

From conversations we have with propulsion engineers right now, they are all communicating the same issue, the lengthy processes. Candidates are repeatedly citing slow hiring as a top frustration.

RECRUIT BEYOND AEROSPACE AND RESKILL

Don't limit searches to candidates with "rocket" or "space" backgrounds. Engineers from automotive, turbomachinery, energy, and defense often bring transferable skills in thermodynamics, combustion, testing, and CAD. With focused onboarding and mentorship, they can transition quickly into propulsion roles and help close mid-level gaps.

PRIORITISE YOUR CRITICAL ROLES

Identify the roles that directly determine program velocity — such as lead propulsion designers, test directors, senior systems or CFD engineers — and fill these first, even if it requires premium offers.

USE SPECIALISTS WHO UNDERSTAND THE SPACE TALENT MARKET

Partnering with recruiters who specialize in propulsion, avionics, and systems engineering dramatically expands your reach.

We already maintain a bank of qualified propulsion engineers we can deliver within a week.

THE LUNEUS WAY

What we do

With 20+ years in Space, Emerging Tech, and Aerospace, we're a trusted partner across the US. Our network spans across Airbus Defence & Space, Xiphos, Orbex and OHB, positioning us to represent your brand and mission effectively. We deliver embedded hiring solutions that help space start-ups stay on schedule , building teams, onboarding talent, and strengthening processes to keep programs moving.

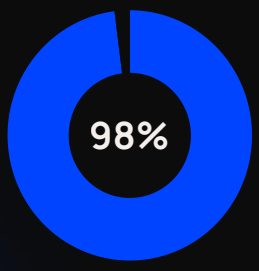
Purpose

We exist to ensure that space advancements are never stopped by a lack of access to the people they need.

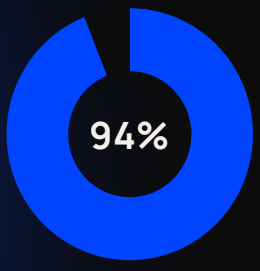
Mission

We're on a mission to partner shoulder to shoulder with space companies, helping to map, attract and secure mission-critical talent, built on data, insights and craft.

HOW OUR CLIENTS RANK US ON PROVIDING SUITABLE CANDIDATES FOR THE ROLE *



HOW OUR CLIENTS RANK US ON PROVIDING CANDIDIATES WITH A DETAILED JOB DESCRIPTION AND SALARY PACKAGE *



Get in touch with us:

https://luneus.com

+1 754 223 1973

solutions@luneus.com

* This data is collected from Recruiter Insider which is a third party benchmarking platform that tracks verified client and candidate feedback for recruitment agencies.