



Sector Spotlight

A deep dive into the digital sector

peoplebank
Specialist Technology & Digital Recruitment

Recruitment Trends



Insights from JP Browne: Principal Consultant, Peoplebank Auckland

Over the last couple of years (the Covid years), we have seen an increase in the use of the word "digital". It's an all-encompassing, broad phase that has been new to many organisations and not so new to others.

This focus on being "digital" has been a huge contributing factor to the talent shortage we find ourselves in now. Before Covid, a lot of our clients had a digital strategy, but it was on the to-do list. Once we found ourselves unable to buy goods or services in person, suddenly there was a rush to online channels. We found out very quickly who could buy and sell online and who could not. Due to the rush on digital expertise, the demand quickly exceeded the talent supply. Coming into a new financial year, for most, I'm hearing that defining what's next for the digital strategy is top of mind.

Some skillsets we're seeing still in high demand are:

- Product managers & owners who can take ownership of product roadmaps and deliver key benefits to the consumer. A common question from candidates is whether they will manage an actual product, or just a service/feature that's been called a product
- Developers (front-end & UI) who are asking for more interesting work and not just an add-on to a product that hasn't changed in years
- Business analysts - this area continues to grow in importance and the contracting market is very strong for experienced business analysts

The vendor market has been heating up quite dramatically as we move from on-premise and into more cloud-based platforms. The need for your employees to work remotely when they need to isolate or as part of a key employee benefit has seen no let up. Several New Zealand vendors have put a focus on creating a digital capability and this has put added pressure onto an already tight market.

Key questions we continue to get asked by job seekers in the digital sector are:

- Is the work interesting?
- Is it new work or BAU?
- Can the leadership team define their digital roadmap and do they know it's benefits?

Of course, it goes without saying that salary and flexible working are top of mind, also. If you are looking to grow your digital team or are interested in what the market is doing right now, give me a call. I'm always happy to chat.

Our resident Irishman, JP, has been active in the Auckland IT recruitment market since 2008, working with businesses through the technology and digital space. JP has assisted teams to build their project, testing, and data capacity, along with placing a range of both contract and permanent senior IT appointments.

Vacancy & Candidate Trends

Spotlight on Seek

When we look at IT jobs advertised on Seek vs the total jobs advertised on Seek (below) we see that these jobs have followed very similar trends. What is surprising is the growth of jobs advertised overall. Prior to Covid, a “base” week of jobs advertised on Seek was in the vicinity of 20-22K jobs.

When Covid first hit, this dropped to under 10K jobs per week, however, since mid-2021, we have regularly seen total jobs advertised on Seek exceed 30K. What is even more surprising is that in Jan '22 when advertising would normally take a seasonal drop off the total jobs advertised exceed 34k, with IT jobs reflecting the same record levels.

In March and April this year, for the first time in a while, we have seen the "total jobs" number start to decline versus the highs of the prior months. However, both months are still in excess of 30k jobs and up over 70% versus the prior year.

Job ad growth in May for the Information & Communication Technology classification has increased 21.5% vs the same month last year. While demand for IT staff is trending up for 2022, candidate availability has hit extremely low rates.

CANDIDATE AVAILABILITY

(VS 5 YEAR AVERAGE)



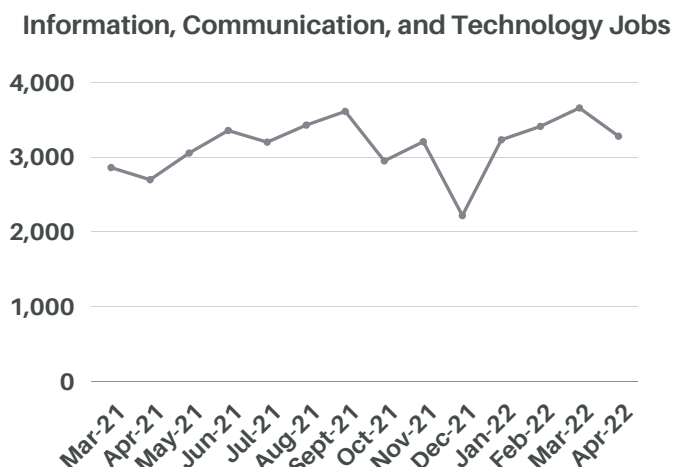
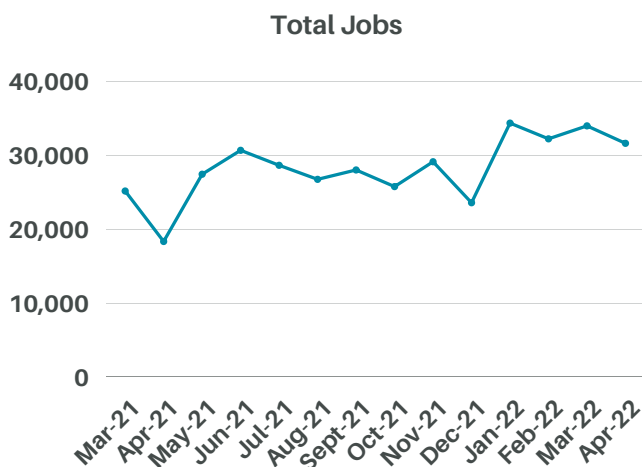
JOB AD GROWTH



UP 136.8%
(VS 5 YEAR AVG)

SEEK TOTAL JOBS VS ICT JOBS

(MAR '21 - APR '22)



Salary & Category Trends

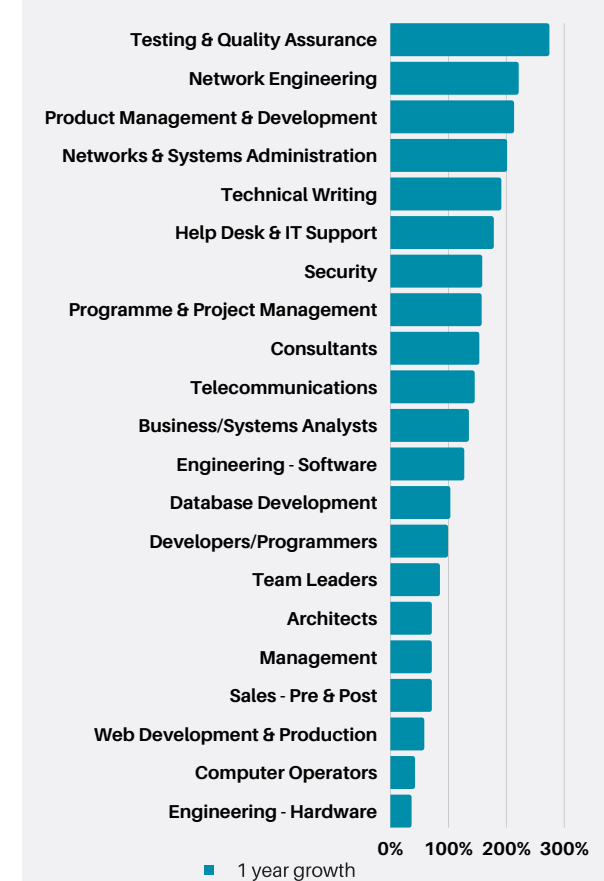
Spotlight on Seek

Testing, network engineering and product management are all trending over 200% category growth in the last 12 months, which mirrors what JP states above about what he is hearing in the market.

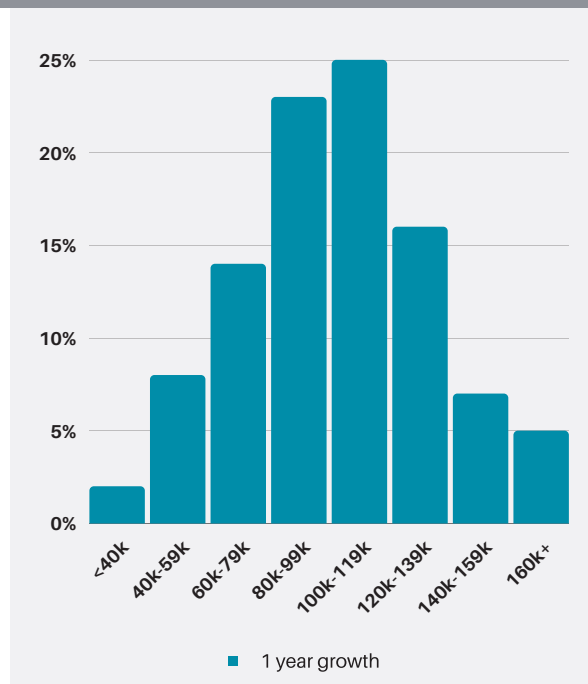
Looking at the job category graph to the right, over half the job categories in IT are sitting at over 100% growth in the last 12 months, which just goes to show the pressure on the IT sector in the current market.

With businesses being under pressure to upgrade their IT systems and have a digital strategy in place, it is no surprise that the IT sector has seen such high job ad growth. The challenge is now to find talent to fill the opportunities, and for companies to make sure they have ongoing work that is going to keep candidates engaged and fulfilled.

SPECIFIC JOB CATEGORY GROWTH



SALARY DISTRIBUTION - 12 MONTHS



Salaries are still on the rise, with the lack of migrant candidates coming into the country, the IT talent pool has to be built from existing candidates in New Zealand, putting pressure on employers to raise salaries on offer to compete with counter-offers and to attract top talent.

Median salary range reported by Seek is in the 80k-110k bracket, with overall growth in the last 12 months of 2.2%, showing that even in the last 24 months, salaries in IT have been at an extremely high level.

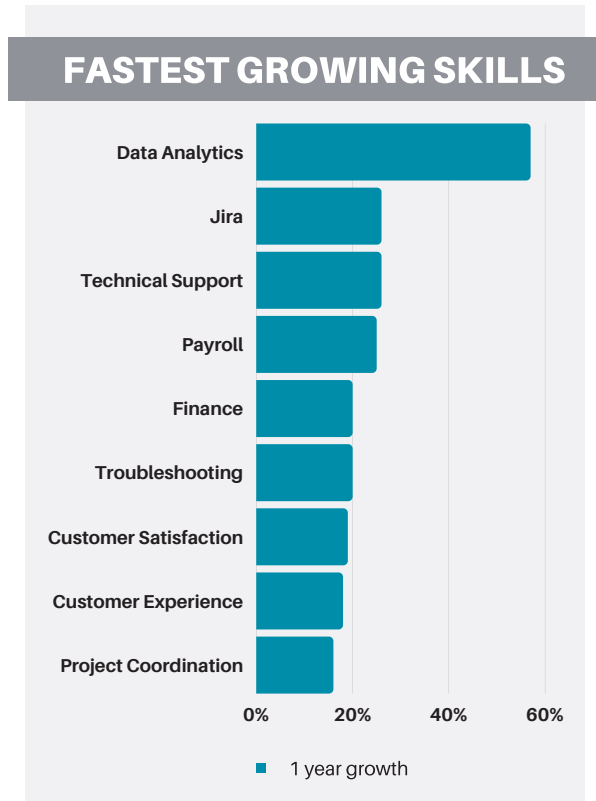
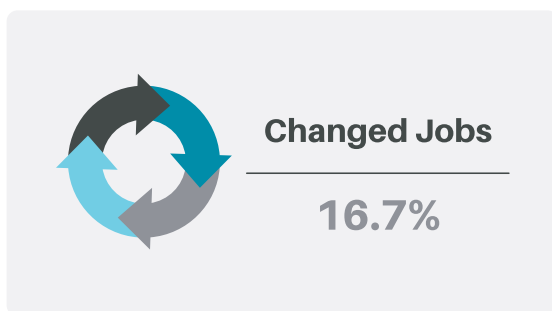
Skills, tenure & attrition trends

Spotlight on LinkedIn

LinkedIn Talent Insights can provide an interesting look into candidate retention and attrition, and in the case of the IT sector, it shows that 16.7% of candidates have changed jobs, and employees are typically staying in roles for just shy of two years.

JP's insights into what skills are in high demand mirrors the LinkedIn data. Business Analysis is sitting at the most common skill, with over 30% growth in 12 months, meaning more LinkedIn users are adding this in-demand skillset to their profiles, or upskilling in this area.

Data analysis / analytics makes an appearance on both the fastest growing and most common skills lists, supporting JP's view that the vendor market is heating up and looking for more talent in the data analysis area.



About Peoplebank

Local experience, global support.

Peoplebank New Zealand is the New Zealand based arm of the global Peoplebank Group. Supported globally throughout Asia Pacific, we are passionate about ethical recruitment, helping businesses grow, and coaching candidates towards their perfect next career step.

We are specialists, not generalists, and our Kiwi-based consultants have been recruiting in New Zealand for over 70+ years collectively. By focusing on specialist areas throughout the technology and digital sector, we are experts at candidate care and helping kiwi businesses thrive by matching top talent with top businesses.

In this candidate-short market, our networks are our difference. The team are excited to continue to deliver project and technology recruitment to New Zealand clients and candidates.

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