

# IT JOB MARKET REPORT

2024 2024 2024

**UPDATE FOR EMPLOYERS**

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# A note about this report

## Kia ora - welcome to the employer update of our 2024 IT Job Market report.

The first half of 2024 has seen New Zealand's tech employment market navigating a period of cautious optimism amid economic uncertainty. Across the country, organisations have taken a conservative approach to hiring, with many opting to delay new projects and focus on cost management measures. This has led to a slowdown in both permanent and contract hiring as organisations assess their current workforce capabilities and adopt a holding pattern for more stable economic signals.

Despite this overall cautiousness, certain areas within the tech sector continue to show resilience. There remains a steady demand for specialists in emerging technologies, such as cyber security, data, and AI, as organisations recognise the need to invest in these critical areas to stay competitive and for future growth. However, the approach to hiring in these fields has also shifted, with longer recruitment processes and the preference for hiring permanent roles over contract positions becoming more prevalent.

At the time of writing this report, the Reserve Bank's recent announcement regarding a cut to the Official Cash Rate (OCR) is expected to stimulate economic activity late in the year, potentially leading to an uptick in tech hiring as organisations gain more confidence in their financial outlook. While the current environment has led to a temporary holding pattern for hiring in some areas, the OCR cut signals a potential turning point, encouraging businesses to start planning for future growth and expansion.

In this context, tech employers across New Zealand should consider strategic adjustments to their hiring practices. Investing in long-term talent, particularly in areas of high demand and competition, will be crucial as the tech talent market begins to rebound. Additionally, a focus on employee wellbeing and retention will help organisations maintain a strong, motivated workforce ready to tackle the challenges and opportunities that lie ahead.

*As we move further into the second half of 2024, the New Zealand tech employment market stands at a crossroads. While economic caution has defined the first half of the year, there are signs of renewed activity and growth.*

For those willing to adapt and invest in key areas, the coming months present an opportunity to secure top talent and position themselves for success in an evolving landscape.

Now may be an ideal time to start hiring processes, with less competition for available talent and skills than this time last year. Get in touch with your local Absolute IT team to learn more about current market conditions and up-to-date insights impacting tech employment.

I hope you enjoy reading this report, and as always, welcome your feedback and thoughts.



A stylized, handwritten signature in black ink, appearing to read 'Christian Brown'.

**Christian Brown**  
Chief Operating Officer

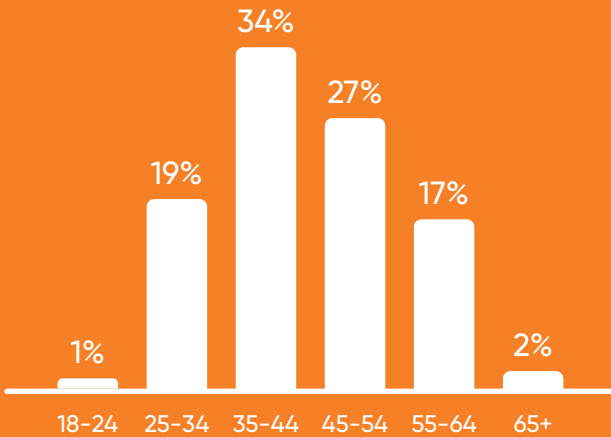
## Methodology

This report has been compiled from multiple sources that include Absolute IT's mid-year Tech Professional (552 respondents) and Employer (152 respondents) surveys, placements made by Absolute IT throughout the year, market research, and staff, client and candidate feedback.

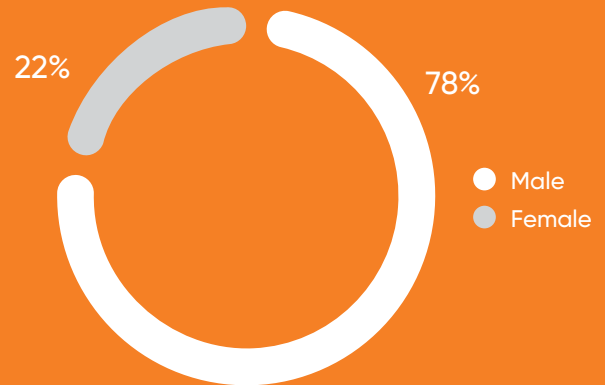
## Respondent overview

# Tech Professionals

### Age group



### Gender



### Business sector



**27%**  
Public sector

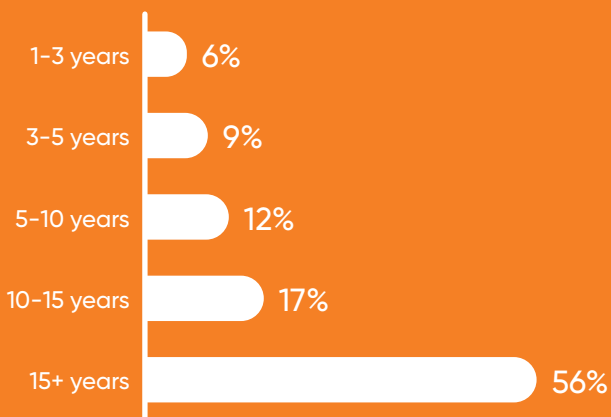


**69%**  
Private sector

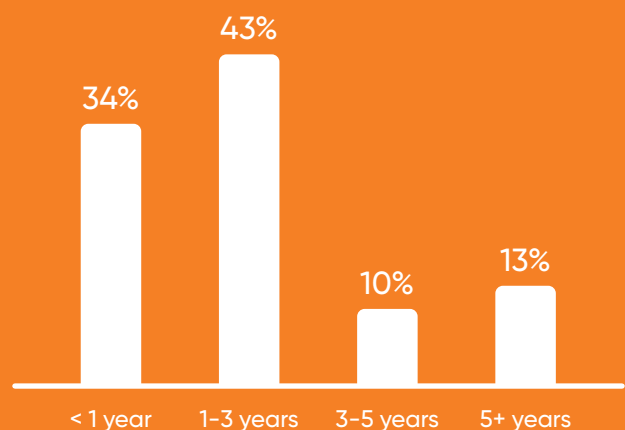


**4%**  
Not-for-profit or  
Social Enterprise

### Years of experience



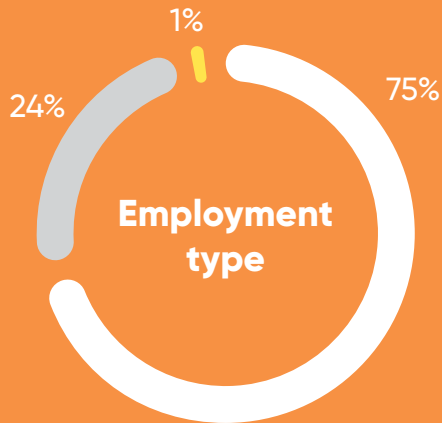
### Tenure in current role



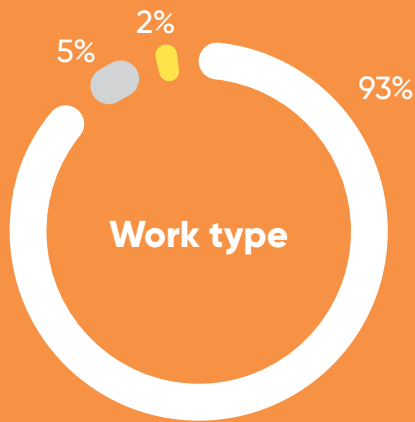
## Right to work



● NZ Citizen/Resident ● NZ Work Visa ● Australian Citizen/Resident

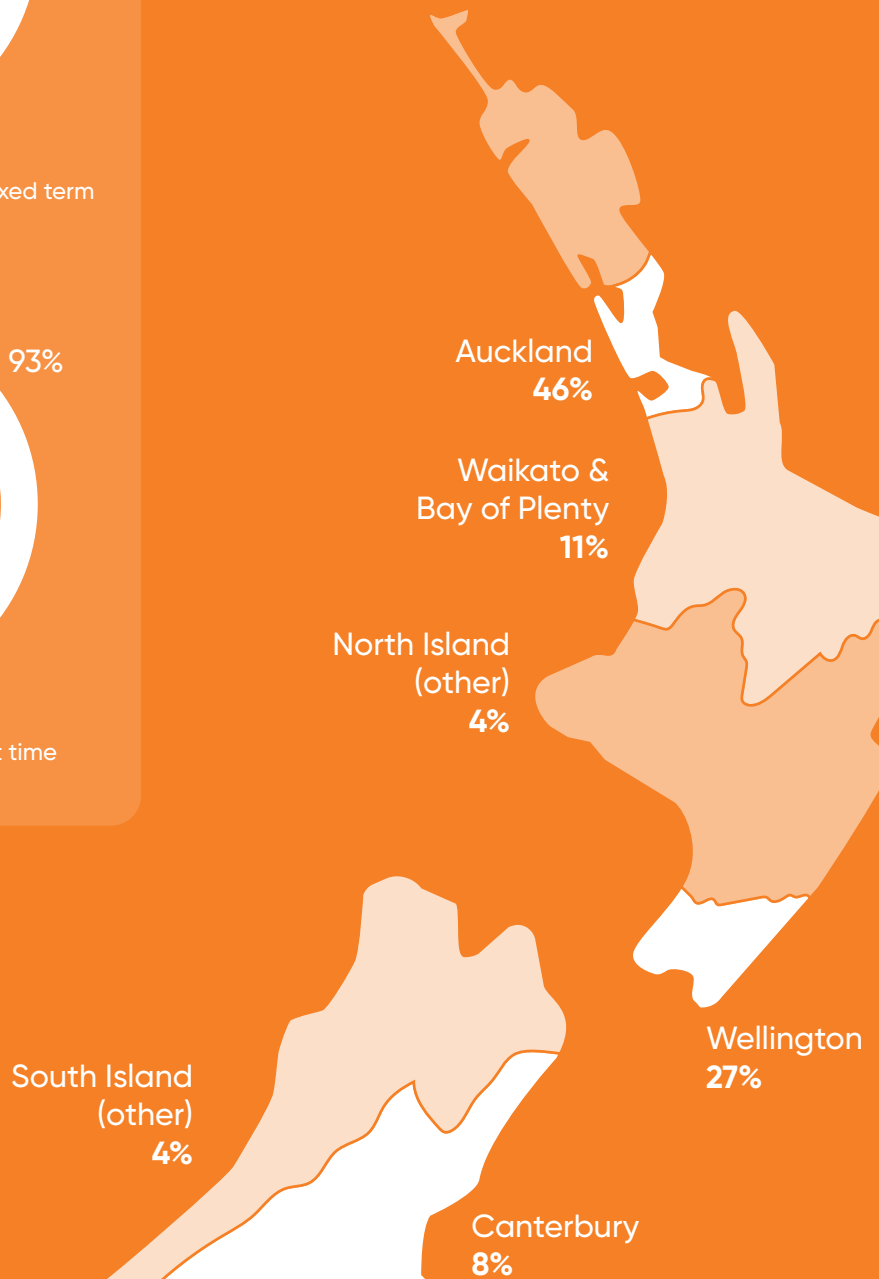


● Permanent ● Contract ● Fixed term



● Full time ● Casual ● Part time

## Primary work location



## Job seeking & hiring trends

# Tech Professionals

### Top contributors & detractors to workplace satisfaction



**21%**

of Tech Professionals have changed jobs since the start of this year

Top reasons Tech Professionals have changed jobs this year include; contract/project coming to an end, redundancy, and moved to another city.

**54%**

of Tech Professionals are considering changing jobs before the end of this year

Top reasons Tech Professionals are considering changing jobs before the end of this year include; better salary/income, career development/promotion, and contract/project coming to an end.

### Top reasons Tech Professionals would accept a new job offer



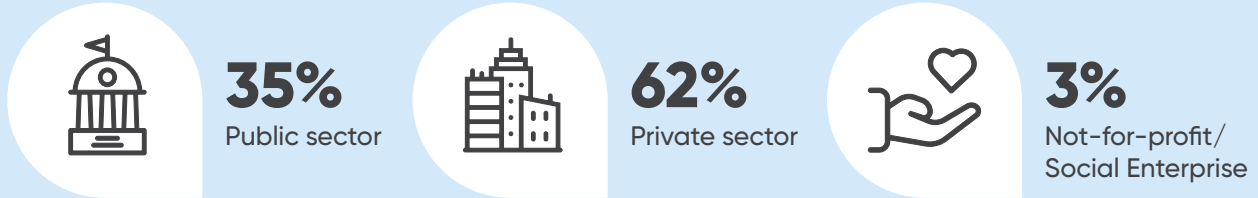
**88%**

of Tech Professionals are happy with their current workplace

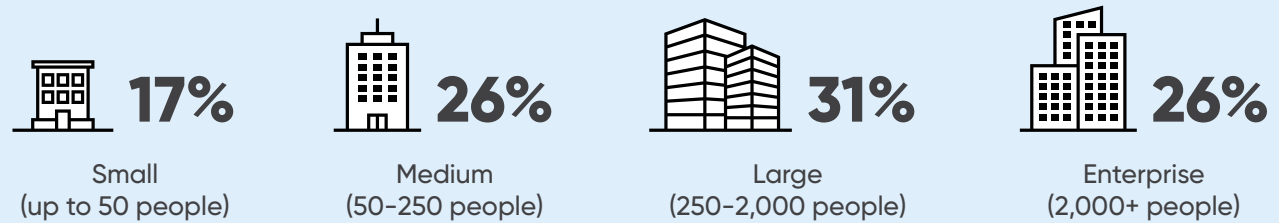
# Respondent overview

## Tech Employers

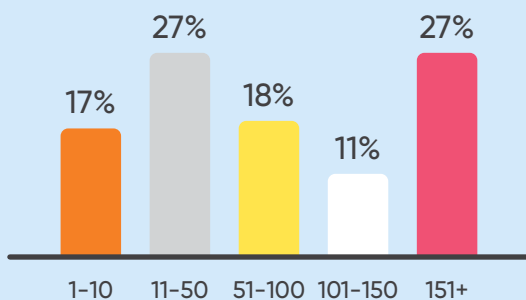
### Business sector



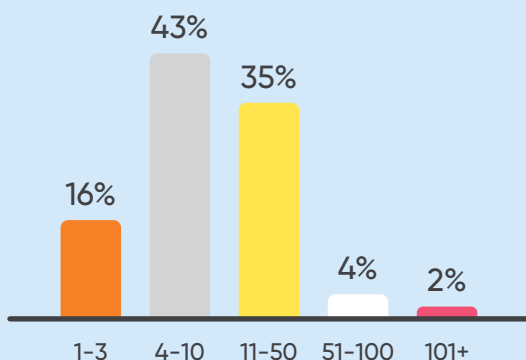
### Company size



### Full time tech employees at the organisation



### Direct reports for hiring managers



### Organisation's primary location



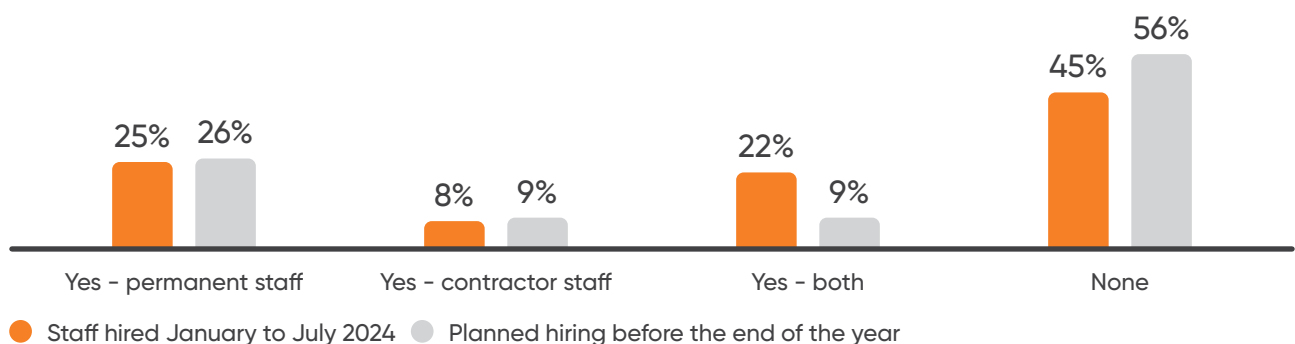
# Job seeking & hiring trends

## Tech Employers

### Top 10 skills in demand for 2024



### Staff hired this year & planned hiring by the end of the year



# 55%

of Tech Employers have already hired staff this year

# 44%

of Tech Employers are planning to recruit before the end of the year

### Top challenges for Tech Employers for the rest of the year





# Tech Trends

## Cyber Security

As cyber threats grow in sophistication there has been a global rise in cybercrime, and New Zealand is not immune. The increasing digitisation of businesses, accelerated by the pandemic, has made organisations more vulnerable to attacks. Ransomware incidents, data breaches and phishing scams are becoming more frequent, with significant reputational and financial consequences. For employers, this evolving landscape presents many challenges.

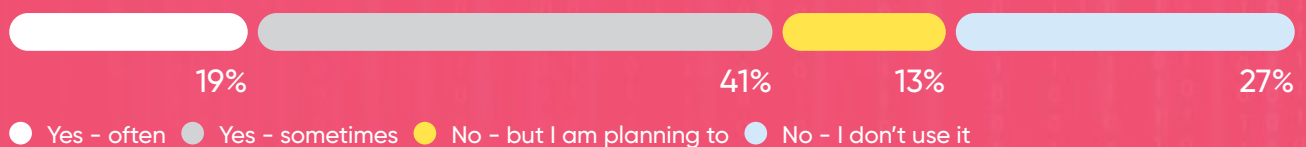
One of the primary challenges is the availability of skilled cyber security professionals. Despite the growing demand, the candidate pool remains limited, increasing competition for top talent. More and more, cyber security is no longer an IT team issue; it requires an holistic approach that involves every part of an organisation. Prudent employers will invest in continuous employee training and informative customer resources and comms to build a security-conscious culture.

### Top 3 Cyber Security challenges Tech Employers are experiencing

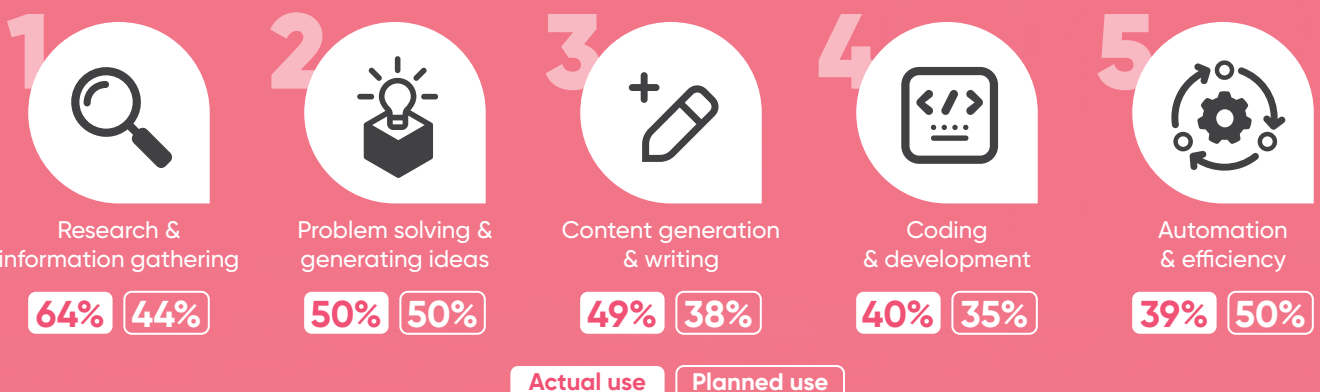


## Artificial Intelligence & Employment

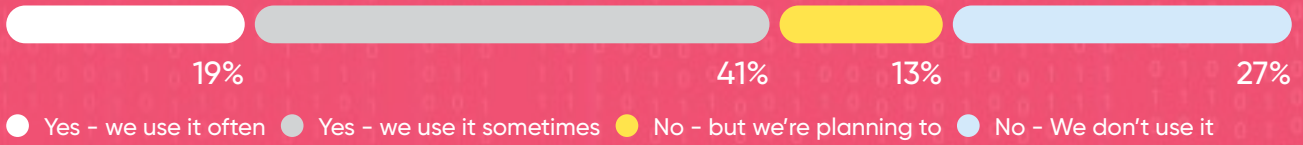
### Tech Professionals using AI at work



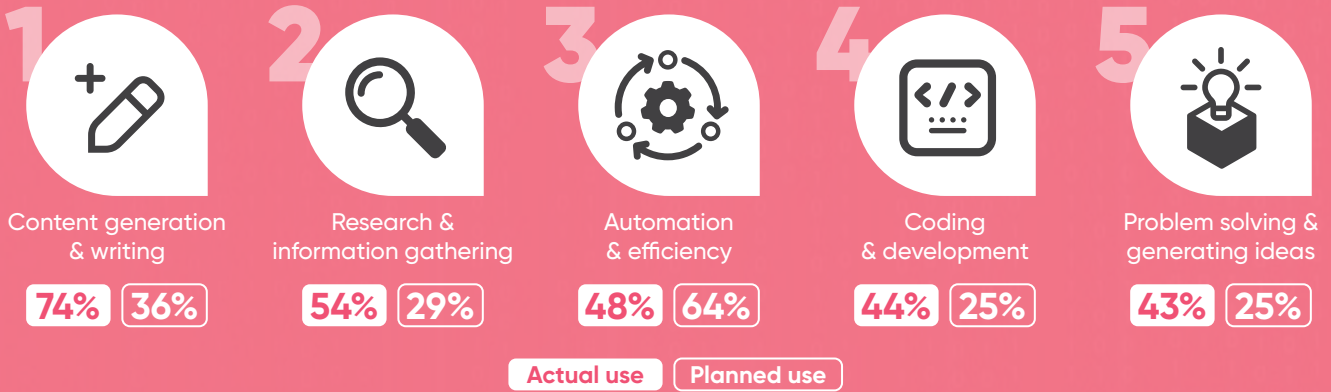
### How Tech Professionals are using & planning to use AI for work



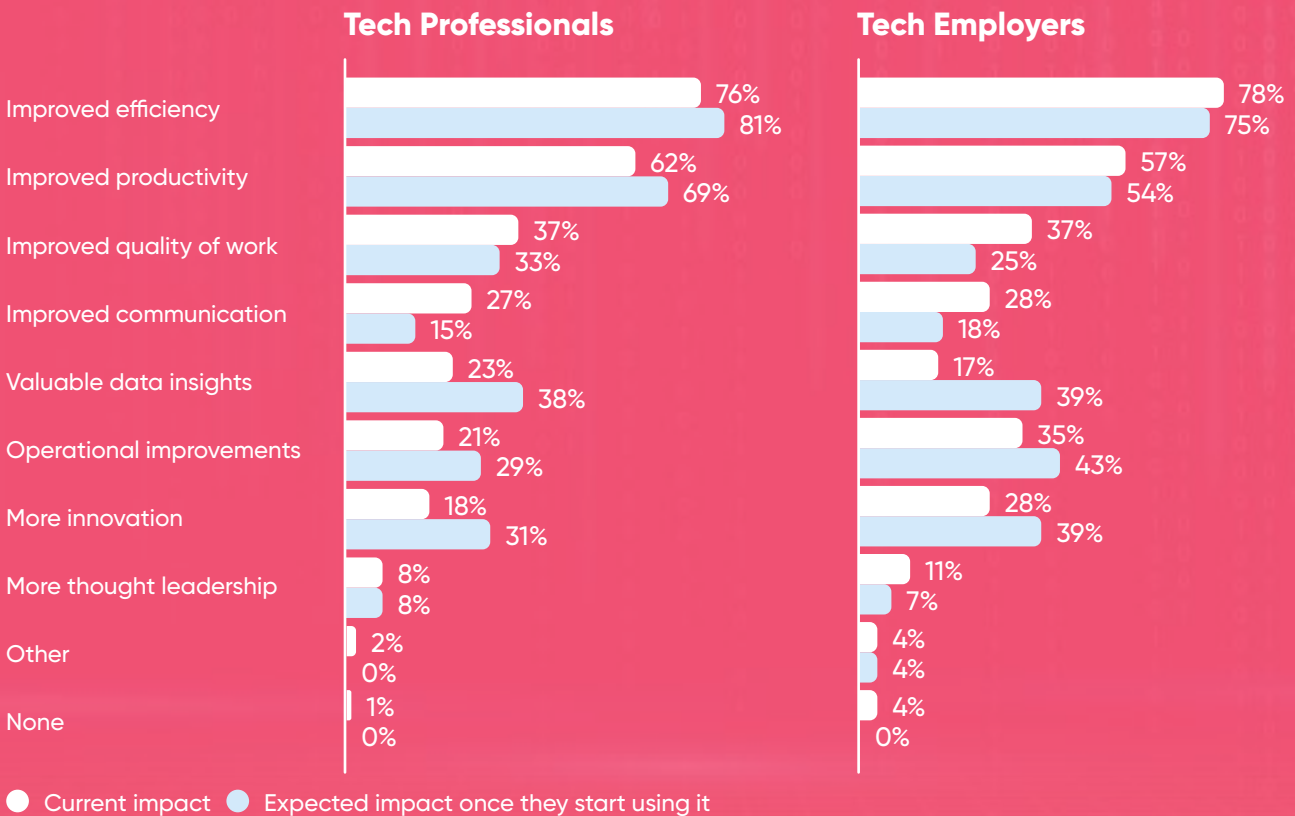
## Tech Employers using AI at work



## How Tech Employers are using and planning to use AI in the workplace



## The current & expected impact of AI



# Salary & Benefits

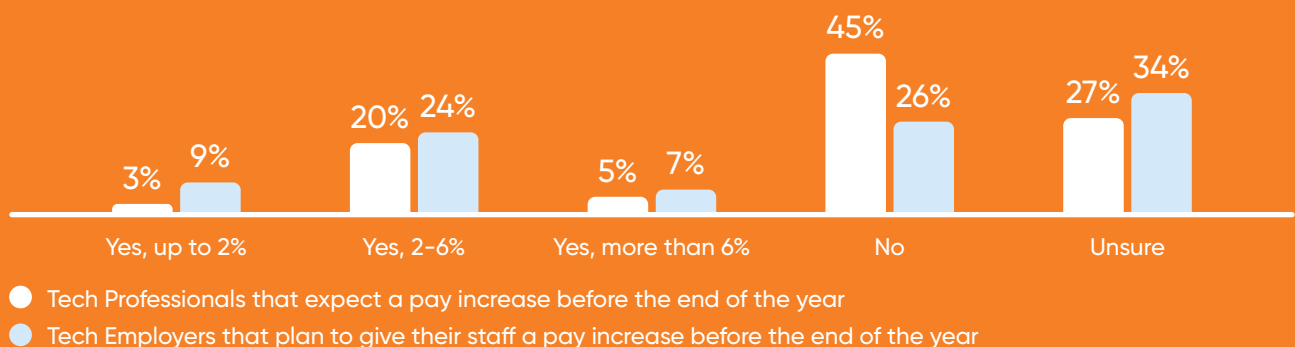
## Top non-financial benefits Tech Professionals find most valuable



## Tech Professionals that received a pay increase in 2024



## Expected pay increase before the end of the year



**58%**

of Tech Employers have given some of their staff a pay increase since the start of the year

**41%**

of Tech Employers are planning to give some of their staff a pay increase before the end of the year

The top reasons Tech Employers are not planning on giving a pay increase before the end of the year include budget cuts, impact of the current economic environment, and loss of business.



# Regional Spotlight

# Auckland

In recent months, the current economic climate has led many Auckland-based organisations to exercise caution when considering their spending, resulting in a slowdown in hiring and the initiation of new projects. While hiring is still evident in essential and growth areas, like cyber security, data, and AI, many organisations are choosing to rely on existing teams to manage workloads. With more caution, we have seen longer hiring processes for permanent staff and longer interview processes for contractors.

## Key Trends

### Holding Pattern in Hiring

Auckland's tech market is characterised by caution and a focus on cost management. Many organisations are in a holding pattern, delaying project starts and new hires until economic conditions improve. This has resulted in a slower hiring process for many, with an increase in candidates and at the same time fewer roles available.

### Emerging Technologies and Skills Demand

Despite the overall slowdown, there is still a strong appetite for talent in data, AI and cyber security. Many organisations are investing in AI initiatives, which have created a demand for talent with specialist skill sets. There is a high demand for data engineers, AI prompters, coders, and AR developers. Additionally, there is a need for data governance and security expertise, which is driven by the construction and development of new data centres in New Zealand.

### Shift Towards Permanent Roles

The market has shifted noticeably towards permanent roles, and with fewer contract opportunities available many contractors are considering permanent positions due to the current availability of project-based work. This trend will continue as companies prioritise stability and cost management in their hiring practices throughout the rest of this year.

### Challenges for International Candidates

International migration has recently had a limited impact on the Auckland tech employment market. Employers are focusing on available local talent, reducing the number of opportunities for overseas professionals. While there is an increased supply of local talent, tech employers seeking specialist skillsets may still need to source talent from overseas.





## Looking Forward

The Auckland tech employment market in 2024 will be marked by caution, a shift towards permanent hiring, and demand for emerging technical skills. Despite the current economic caution across many industries, there are opportunities for proactive employers to secure top talent and prepare for future growth. This includes investing in long-term talent, focusing on in-demand skills, and adapting quickly to changing market conditions.

To navigate these trends, tech employers in Auckland should consider the following strategies:

### Invest in Long-Term Talent

With the market favouring permanent roles, now is an opportune time to invest in long-term talent. Securing skilled professionals now can provide a competitive advantage well into the future as the market rebounds and demand increases.

### Focus on In-Demand Skills

Prioritise hiring and upskilling in areas such as data engineering, AI, data governance, and security. Investing in these critical skills can help organisations stay ahead of technology advancements and regulatory requirements.

### Adapt Hiring Practices

Streamline hiring processes to reduce delays and ensure a positive candidate experience. Consider what tech talent is looking for and what non-financial benefits will attract the best talent – particularly if you can't be as competitive with base remuneration.

### Support Employee Wellbeing

Focus on employee wellbeing and mental health to retain top talent and maintain a positive workplace culture. Providing support and fostering a supportive environment can help organisations weather the current economic challenges and emerge stronger.

We understand the challenges, and opportunities, of the local tech employment market. With its often cyclical nature we anticipate that both replacement and growth hiring activity will pick up by the end of this year. In the meantime, it is essential to focus on investing in long-term talent, upskilling, and fully utilising existing skills within your organisation. Prioritise employee wellbeing to retain top talent. If you need more information or support in any of these areas, please get in touch. We have the resources and experience to help you thrive during challenging times.



Spotlight by

**Kerrie Gregory**  
Regional Manager

# Regional Spotlight

# Waikato & Bay of Plenty

The tech employment market across the Waikato and Bay of Plenty has experienced a notable slowdown in hiring since the start of 2024. Various economic factors, including inflationary pressures and decreased demand in sectors such as agriculture and supply chain, have had an impact on this downturn. Companies are now more cautious in hiring, often conducting multiple interview rounds for contract roles and negotiating for more flexible terms. Despite these challenges, there are still opportunities for growth across the region, particularly for businesses willing to invest in long-term talent and adapt to emerging market needs.

## Key Trends

### Less Contractor Hiring

Waikato and Bay of Plenty have seen fewer roles advertised, which has impacted contractor role availability and contractor rates, as well as leading to more scrutiny on contract extensions. Many organisations have shifted their focus towards permanent hires. Candidates, especially those in project management, are facing tougher competition and need to consider opportunities with more modest pay rates, a shorter contract term, or a switch to a permanent role.

### High Demand for Business Analysts

While overall hiring has slowed, strong demand remains for business analysts. This demand is driven by organisations' need to optimise their processes, identify opportunities, and navigate economic uncertainties.

However, the market is also experiencing greater availability of quality project managers, many of whom are adjusting their expectations due to previous high salary levels that are no longer sustainable.

### Cautious Approach to International Hiring

International migration has recently played a smaller role in the tech employment market in Waikato and Bay of Plenty, compared to recent years. Clients are cautious about hiring international talent, preferring to engage with local candidates who are more immediately available and familiar with the regional market. This cautious approach has also made it challenging for international students graduating this year, as there are fewer entry-level roles available.



## Looking Forward

So far this year, the Waikato and Bay of Plenty tech employment market is characterised by cautious hiring practices, a shift towards permanent roles, and a strong demand for business analysts. Despite the economic challenges, there is optimism for a resurgence in business transformation projects and a steady increase in demand for project support roles in the latter half of the year.

To navigate these trends, tech employers in the Waikato and Bay of Plenty should focus on the following strategies:

### Invest in Permanent Hires

With the market leaning towards permanent roles, now is an ideal time for companies to invest in long-term talent. Securing skilled professionals now, enabling them to complete onboarding and acclimatise to their new role, can provide stability and a competitive edge when the market rebounds.

### Focus on In-Demand Skill Sets

Prioritise hiring and upskilling business analysts to meet ongoing demand. Additionally, training existing staff to fill gaps and upskill in the areas of need should be considered. This can help optimise workforce efficiency and reduce current hiring costs.

### Engage Local and National Talent

Focus on attracting and retaining local and national talent when hiring. There is an opportunity for talent located outside of the region to relocate. Promote the benefits of working in the region, including quality of life, a vibrant tech community and attractive cost of living. Supporting relocation within New Zealand can also attract skilled professionals from other regions.

### Consider Emerging Technologies

Stay ahead by investing in emerging technologies and planning for essential changes that will impact existing systems. With some software companies rolling out required updates in the coming year, we expect to see more demand for essential skill sets in this area. Early planning and adoption can position your organisation as a leader, attracting talent earlier, before demand and competition increases.

### Adapt to Economic Conditions

Monitor economic indicators closely and be prepared to adapt your hiring strategies. Flexibility in contract terms, competitive salary offerings, and a focus on critical skill sets can help adeptly navigate the current economic landscape.

Despite the current economic challenges, the Waikato and Bay of Plenty tech employment market presents opportunities for proactive and strategically astute employers. By focusing on long-term talent investments, leveraging local resources, and staying agile in response to market conditions, tech companies in the region can position themselves for future growth and success.



Spotlight by

**Brian Bernard**  
Regional Manager

# Regional Spotlight

# Wellington

The tech employment market in Wellington has experienced significant change since the start of 2024. The volume of available roles has notably decreased across the board, and in particular, far fewer contractor opportunities are available. This has impacted contractor rates and increased scrutiny on contract extensions and duration. The most notable slowdowns have occurred in the public sector; while the private sector continues to hire, it is hiring cautiously and is very cost-conscious.

This cautious hiring environment is shaped by economic uncertainties and a pause, recalibration or cessation of projects, particularly those connected to government agencies. Despite these challenges, the market remains dynamic, with demand still evident for specific skill sets and emerging opportunities in business transformation.

## Key Trends

### Reduced Contractor Market and Permanent Hiring

Wellington has seen a downturn in contract roles, with many projects awaiting funding approval or alignment to revised business objectives. Organisations are focusing more on permanent positions to ensure stability. Contract extensions are being scrutinised, and existing contractors have needed to accept recalibrated rates to remain contracting. However, SMEs in the private sector continue to hire, showing resilience despite economic challenges.

### High Demand for Cyber Security and Data Professionals

Cyber security and data-related roles remain highly sought after. These skill sets are crucial as companies prioritise data security and digital transformation. Despite the demand, top talent in these areas is relatively

scarce, making it imperative for employers to act quickly when such candidates enter the market. Upskilling and certifications in these fields are increasingly important for tech professionals to stay competitive.

### Shift in Immigration and Local Talent Preference

The reliance on international talent has decreased compared to a year ago. Organisations are now more focused on engaging local talent, though they remain open to international candidates with niche skills. This shift reflects a preference for stability and the ease of integrating local hires into ongoing projects.







## Looking Forward

The Wellington tech employment market in 2024 is characterised by cautious hiring and a shift towards permanent roles. Despite facing challenges, in many areas there is a more positive outlook for the latter months of the year, with anticipated increases in business transformation projects as government funding for core projects is approved. This will result in a steady demand for project support roles.

To navigate these trends, tech employers in Wellington should focus on the following strategies:

### Enhance Employer Branding and Culture

In a competitive market, it is essential to differentiate your organisation through a strong employer brand. Highlight your organisational culture, commitment to career development, and showcase your unique non-financial benefits. Engage in community events and industry conferences to increase visibility and appeal to prospective employees.

### Invest in Critical Skill Sets

Prioritise investment in high-demand areas like cyber security and data analytics. Offer training and development programs to upskill your existing workforce and attract new talent with specialised expertise. This will ensure that your team remains competitive and well-equipped to handle emerging technologies.

### Adopt Flexible Employment Models

While there is a preference for permanent roles, maintaining flexibility in your employment models can help manage costs and adapt to changing market and project demands. Consider a balanced approach that includes permanent positions with the option for short-term contracts as needed.

### Stay Informed and Agile

Monitor economic indicators and government policy closely to anticipate market changes. Staying informed will enable you to adapt your strategies effectively. Engage with industry groups and participate in networking events to remain connected and updated on market trends.

Despite its challenges, Wellington's tech employment market remains dynamic and pockets of opportunity for employers and job seekers are still evident. By adopting a strategic and proactive approach, tech employers can navigate these challenges and position themselves for future growth. Engaging with recruitment agencies can also provide access to hidden talent and streamline the hiring process, ensuring businesses can effectively manage the influx of applications and secure the best active and passive talent available.



Spotlight by

**Ben Stevenson**  
Regional Manager

# Regional Spotlight

# Canterbury

Since the start of 2024, the tech employment market in Canterbury has experienced a slowdown in hiring, driven by the current economic environment, and most organisations are exercising increased caution around spending. Organisations across the region, from government agencies and SMEs to enterprises and international firms, have demonstrated prudence in their fiscal strategies. Despite high candidate quality and availability, many businesses are holding off on new projects, preferring to wait for more stable economic signals and funding approvals. The startup community remains vibrant, but even there, a sense of caution prevails.

## Key Trends

### Projects and Contracting

The market has seen a noticeable slowdown in project-based work and available contract opportunities. Many companies are either concluding non-essential projects or pausing new initiatives, which has resulted in more availability of experienced senior managers and project managers. Additionally, the slowing contractor market has resulted in a shift towards more permanent hiring to control costs and invest in long-term talent.

### Skills In-Demand

There is demand currently for systems and technical engineers, with numerous open positions. However, securing funding for these roles is still a challenge. Hiring project managers for upcoming projects is also necessary, but the hiring process is slow, and decision-makers are cautious. While there is a pool of experienced project management contractors available, hiring managers are hesitant to offer them

permanent positions due to the potential that they may return to contracting once the market shifts. A robust and transparent recruitment process is both beneficial and essential here. Organisations willing to hire now for future projects may benefit from having access to more candidates and can take advantage of securing talent while there is less competition.

### Domestic Movement

Since the start of 2024 there has been a noticeable movement of tech professionals from larger cities like Auckland to Christchurch, seeking opportunities within Canterbury's growing and vibrant tech community. The local cost of living and the family-friendly, idyllic lifestyle the region offers have become increasingly appealing, with many tech professionals relocating from the larger, more urban cities around the country. We are also seeing tech professionals from smaller South Island towns relocating to Christchurch, a shift that aligns with a growing desire for office-based roles over remote work.





## Looking Forward

In a market where organisations are being financially cautious, standing out without stretching budgets is crucial. Highlight your company's culture, career development opportunities, and non-financial benefits. Engage in community events like the Canterbury Tech Summit and AI roadshows to boost your visibility and engage with top talent. Although many organisations remain cautious, the potential for new projects in the coming months remains strong. Start preparing by identifying key roles and potential candidates now. Build strong relationships with recruitment partners and maintain a pipeline of ready-to-hire talent to ensure a swift response when projects receive the green light.

To navigate these trends, tech employers in Canterbury should focus on the following:

### Leverage Local Talent Movement

With an increased interest from professionals relocating from larger cities, tap into this talent pool by promoting the benefits of living and working in Canterbury. Emphasise the region's supportive tech community, lower cost of living, and enhanced work-life balance. Offer relocation support to attract and retain these professionals.

### Flexibility in Employment Models

Consider offering flexible employment models that balance permanent and contract roles based on project demands. This can help manage costs while retaining the ability to scale up quickly when necessary.

### Invest in Training and Development

If you can't hire new talent and skills immediately, investing in training and development can be a strong strategic move. This not only improves your current workforce's capabilities but also positions your company as a desirable employer committed to employee growth.

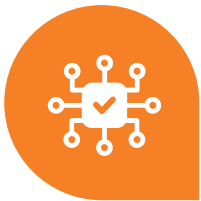
Despite the challenging economic environment, Canterbury's tech employment market holds significant potential. By adopting a strategic and proactive approach, tech employers can navigate these challenges and position themselves for future growth. We are already seeing positive signs for the remainder of the year, including recent announcements from the Reserve Bank on cuts to the OCR, which is seen by many as a positive indication of future growth and hiring activity.



Spotlight by

**James Mann**  
Senior Consultant

# About Absolute IT



Specialist  
IT recruitment  
services



Passionate  
about IT & Tech



Four offices  
across Aotearoa  
New Zealand

Absolute IT was founded in 2000 as a start-up determined to disrupt the recruitment landscape. Today, we have four branches in Auckland, Hamilton, Wellington, and Christchurch. As a specialist IT recruitment agency, we take the time to really know the unique New Zealand technology market inside and out. We focus on understanding the needs of the businesses and the people we work with so that we can make the absolute best connections. Absolute IT is part of the Accordant Group. As a locally-grown business with a history that spans over 35 years, the Accordant Group is the only staffing provider listed on the NZX.

## Areas of expertise



Agile/Scrum



Cyber Security



Procurement  
& Commercial



Strategy  
& Architecture



Artificial Intelligence



Digital



Project Management  
& Consultancy



Technical Support



Business Analysis



Executive  
& Management



Sales



Testing &  
Quality Assurance



Cloud



Infrastructure  
& Engineering



Software  
Development



Web & Application  
Development

## A local story

We're proud to be 100% New Zealand grown, with a global focus. As a business, we share a common vision of being New Zealand's top tech recruitment company. This means being the best connected, the most knowledgeable and effective in meeting our clients' and our job seekers' needs. Our success comes from your success.

## Great people

We know first-hand that hiring the right people is essential for business success, that's why our employees undergo a rigorous recruitment and induction process. We offer robust career progression and are proud of our expertise and experience. We believe we have the best team in the market.

## Built on values

Absolute IT is built on honesty and integrity. We operate guided by our values. One of our key strengths is our ability to consistently provide quality people solutions to our business partners. We make sure we use leading edge technology, and the most effective marketing and advertising tools available.

## An ardent Kiwi tech sector supporter

Since our beginning we have been a passionate contributor to NZ's tech sector, and we're proud to invest in recurring annual sponsorships and attend a range of leading events such as the CIO Summit and Techweek. We're also involved in a variety of initiatives linked to NZ Tech and the Technology Investment Network (TIN), which is the leading independent source of information on NZ's tech sector.

## Auckland

09 374 4467  
Level 6, 51 Shortland Street,  
Auckland, New Zealand

## Hamilton

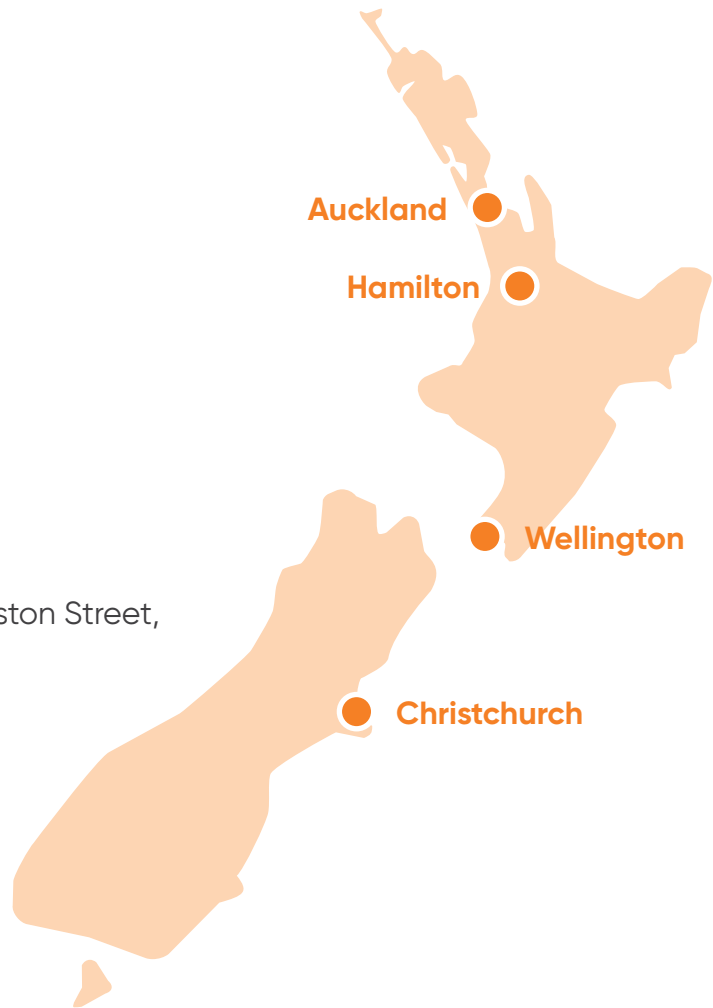
07 834 0411  
Level 5, 127 Alexandra Street,  
Hamilton, New Zealand

## Wellington

04 499 7848  
Level 7, Cnr Customhouse Quay & Johnston Street,  
Wellington, New Zealand

## Christchurch

03 943 5299  
Floor 4, 77 Hereford Street,  
Christchurch, New Zealand

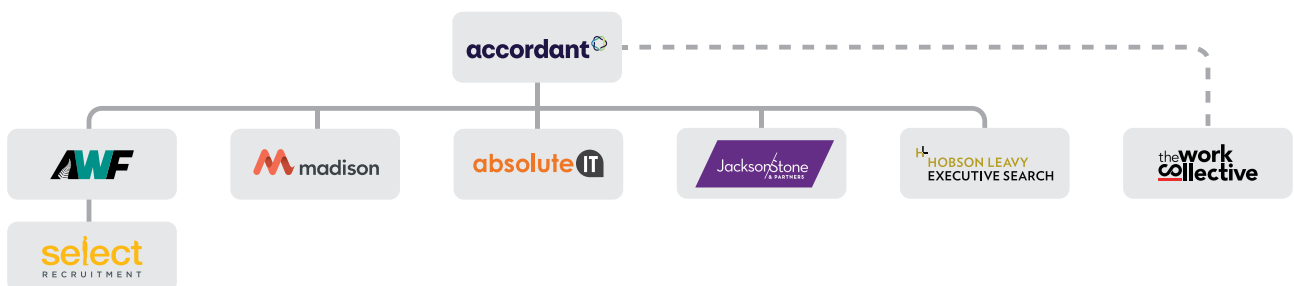


# Part of the Accordant Group

## Delivering recruitment, resourcing and people solutions across New Zealand

Absolute IT is part of the Accordant Group, which is the only staffing provider listed on the NZX. The Group comprises five businesses; Absolute IT, AWF, Hobson Leavy, JacksonStone & Partners and Madison Recruitment. Accordant Group's capability spans all levels and aspects of commercial and industrial recruitment services, including permanent roles, temporary assignments and contractor placements.

In addition to this, in 2019 Accordant established The Work Collective, an employment initiative that offers organisations a way to achieve social impact through their staffing supply chain. This is done by helping individuals who face barriers to employment access meaningful work opportunities.



For more information about this report, hiring tech talent,  
or finding your next opportunity, please contact us.

**[absoluteit.co.nz](https://absoluteit.co.nz)**

**absolute**   
RECRUITMENT