

2025
it job
market report

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Looking Back & Moving Forward

New Zealand's technology sector has earned its place on the global stage, but if you ask local tech employers, 2024 felt more like a rollercoaster than a smooth ride. The digital revolution brings enormous opportunity, but it also brings complexity, and over the past year many businesses have had to balance big ambitions with tough realities. As the sector continues to play a pivotal role in New Zealand's economic strategy, tech leaders and hiring managers have faced the challenge of navigating a fluctuating job market, making recruitment less about routine and more about resilience.

The tech industry this past year was a mixed bag: restructures, cost-cutting, and cautious headcount management on one side; and on the other, persistent demand for specialised talent in critical areas that remain hard to fill. For many employers, recruitment became a tightrope walk – balancing budget constraints, business needs, and the constant search for the right mix of skills. So, as we look back on how the market evolved in 2024 and look ahead to what 2025 may bring, it's worth asking: how can hiring strategies shift to meet a future where change is no longer an occasional event, but a permanent feature of the tech employment landscape?

Christian Brown
Chief Operating Officer

Tracing the Ups and Downs of 2024

2024 was marked by strategic recalibration across New Zealand's tech sector, as companies navigated the aftershocks of global tech layoffs and local restructuring. Many organisations found themselves pausing to reassess and realign, taking a step back to clarify where they wanted to go next. Despite the turbulence, early 2025 has brought a sense of cautious optimism. We're seeing signs of recovery: hiring is picking up, new projects are being launched or reactivated, and the outlook for the tech industry over the next few years looks promising.

This transition signals a meaningful shift. We're moving away from reactive, short-term hiring toward a more strategic mindset, where tech employers are aligning talent acquisition with long-term goals. Now, many organisations are thinking about the teams they want to build for the future – focusing on resilience, adaptability and the ability to keep pace with fast-moving change.

Current State of the Tech Hiring Landscape in 2025

As we move through the first half of 2025, New Zealand's tech hiring market remains cautious. Many employers are still feeling the effects of last year's economic pressures, and some are holding off on expanding their workforce while they stabilise their financial footing. But we're starting to see optimism gain ground. From our conversations and surveys conducted with tech employers, trends point to a tech job market pick-up in the latter half of the year as businesses regain confidence and begin capitalising on the digital transformation work they've been investing in.

At Absolute IT, we're watching certain areas closely: AI, cyber security and sustainable tech are shaping up as the growth hotspots, offering fresh opportunities for hiring top talent. These are the areas where we expect demand to rise fastest, and where hiring managers may need to refine their strategies to secure the right skills.

Evolving Work Models

One of the biggest ongoing conversations we're having with tech employers is around flexible and hybrid working. Flexibility has become a defining feature of the New Zealand workplace, but it's also an ongoing challenge. Many organisations are keen to bring their people back into the office more regularly to support their culture and collaboration – often aiming for 3–4 days a week – however employees have made it clear that they value the autonomy and work-life balance that remote work offers, so in many workplaces a flexible, hybrid model is here to stay.

This push and pull mirrors global trends, but New Zealand's approach is uniquely shaped by a culture that values balance, trust and innovation. Employers who are getting it right are the ones who are working with, not against, their teams and are finding ways to sustain productivity, connection and collaboration no matter where people are working.

Navigating the Loss of Skills to Overseas Markets

The “brain drain” is back on the radar. Over the past year, we’ve seen a **28%** increase in Kiwis heading overseas, drawn by the promise of higher salaries and broader career opportunities in larger international tech hubs. For local tech employers, this can create additional pressure in areas where skills shortages are evident, making it even more challenging to attract and retain the people they need.

The employers who are weathering this best are those who are sharpening their employee value propositions (EVPs). While competitive pay remains a key draw card, retaining top talent, especially the younger generations that are more likely to move overseas, requires more than just salary. Employers should consider offering well-rounded remuneration packages that combine financial rewards with meaningful career development, flexibility and a workplace culture that genuinely engages and supports their people – creating an environment where tech professionals want to stay.

Trends and Expectations

As we look to the second half of 2025, several key trends are poised to shape the future of New Zealand’s tech employment market. Here are four areas we see gaining increasing importance:



AI and Machine Learning Integration

Increasing integration of AI and machine learning into business operations will continue, demanding increased proficiency in these areas and fuelling the need for specialists who can develop and maintain these systems.



IoT Expansion

As the Internet of Things expands, professionals who can build, manage and secure IoT networks will be in high demand. The sector promises exciting developmental possibilities and new fields of work.



Cyber Security Enhancements

The sophistication of cyber threats is expected to increase, driving companies to invest heavily in security technologies and talent. This will open more opportunities for cyber security experts.



Green Tech and Sustainability Initiatives

Continued innovation in renewable energy and resource-efficient technologies is anticipated, creating a niche for professionals passionate about sustainability.

Final Thoughts

As we move through 2025, New Zealand's tech employment market is shaping up to be a mix of both opportunity and challenge. Cyber security, AI, and automation are changing the way businesses operate, while talent mobility and hybrid work are reshaping how teams are built and managed. We're also seeing contract-based roles on the rise again, giving organisations more flexibility to bring in specialist skills when and where they need them. We hear it often from hiring managers:

"We've got more applications now, but finding the right fit is harder than ever."

While the volume of available candidates has increased, especially after last year's organisational changes and restructures, the challenge has shifted to filtering for quality, not just quantity. One client recently shared that

their last hire took five rounds of interviews – not because there were no applicants, but because the mix of technical skills, soft skills and culture fit is harder to pin down in today's market.

Even with positive hiring signs in the market, the challenges haven't disappeared. Talent shortages in key areas, ongoing skills gaps and a competitive landscape, here and overseas, mean tech employers are thinking carefully about how they hire and retain their tech teams. At Absolute IT, we're focused on helping our clients and candidates navigate these challenges every day. We're feeling optimistic about what the rest of 2025 will bring and we're already seeing hiring activity pick up and expect that momentum to keep growing as organisations push ahead with new projects and strategic goals.

For tech employers, the focus for the year ahead is clear: shift from reactive hiring to proactive workforce planning. Some of our most successful clients tell us they now recruit for future potential, not only credentials, and invest in upskilling as part of their retention strategy. The real competitive advantage comes from building workplaces that attract skilled people and make them want to stay and grow. To keep top tech talent engaged, businesses need to create environments where people feel valued and supported through meaningful career development and upskilling, strong leadership, flexible work options and a culture that aligns with their values. The best approach is about getting the right people in the door and giving them reasons to stay and thrive long term.



Christian Brown
Chief Operating Officer

Methodology

This report has been compiled from multiple sources, including Absolute IT's annual Tech Professional and Tech Employer surveys, placements made by Absolute IT throughout the year, market research, and staff, client and candidate feedback.

Annual Surveys

For this report, we surveyed **172 Tech Employers** from a wide range of industries across New Zealand to understand their views on recruitment, industry trends, and challenges in the tech employment market. We also gathered insights from **1,111 Tech Professionals** nationwide, exploring their job-seeking preferences, what matters most when choosing a new employer, and key job seeking and tech trends shaping the year ahead. These findings are backed by daily, real-world insights from Absolute IT consultants, drawn from their ongoing conversations with both employers and candidates across the sector.

respondent demographics

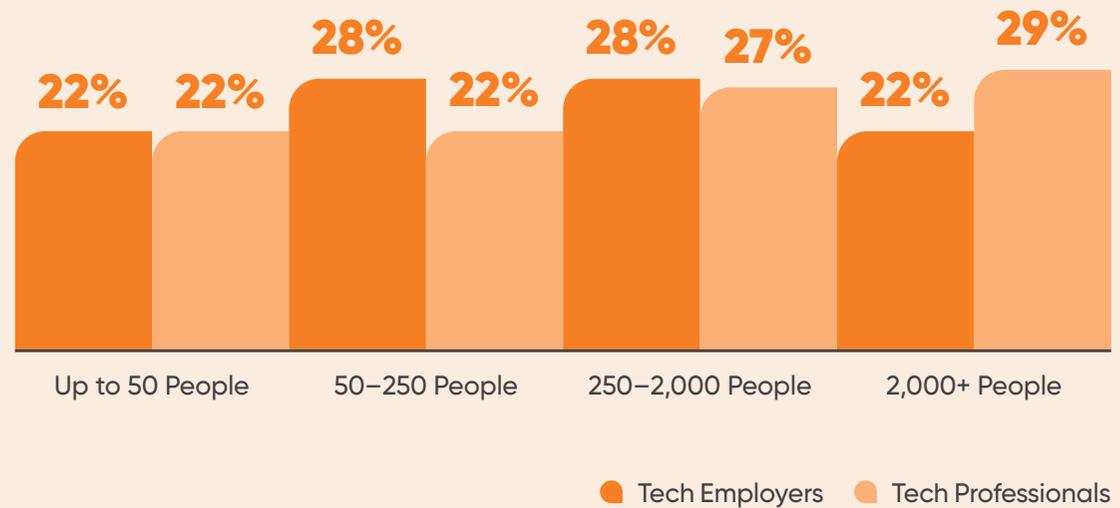
Tech Professionals – Tenure in Current Role



Tech Professionals – Years of Experience

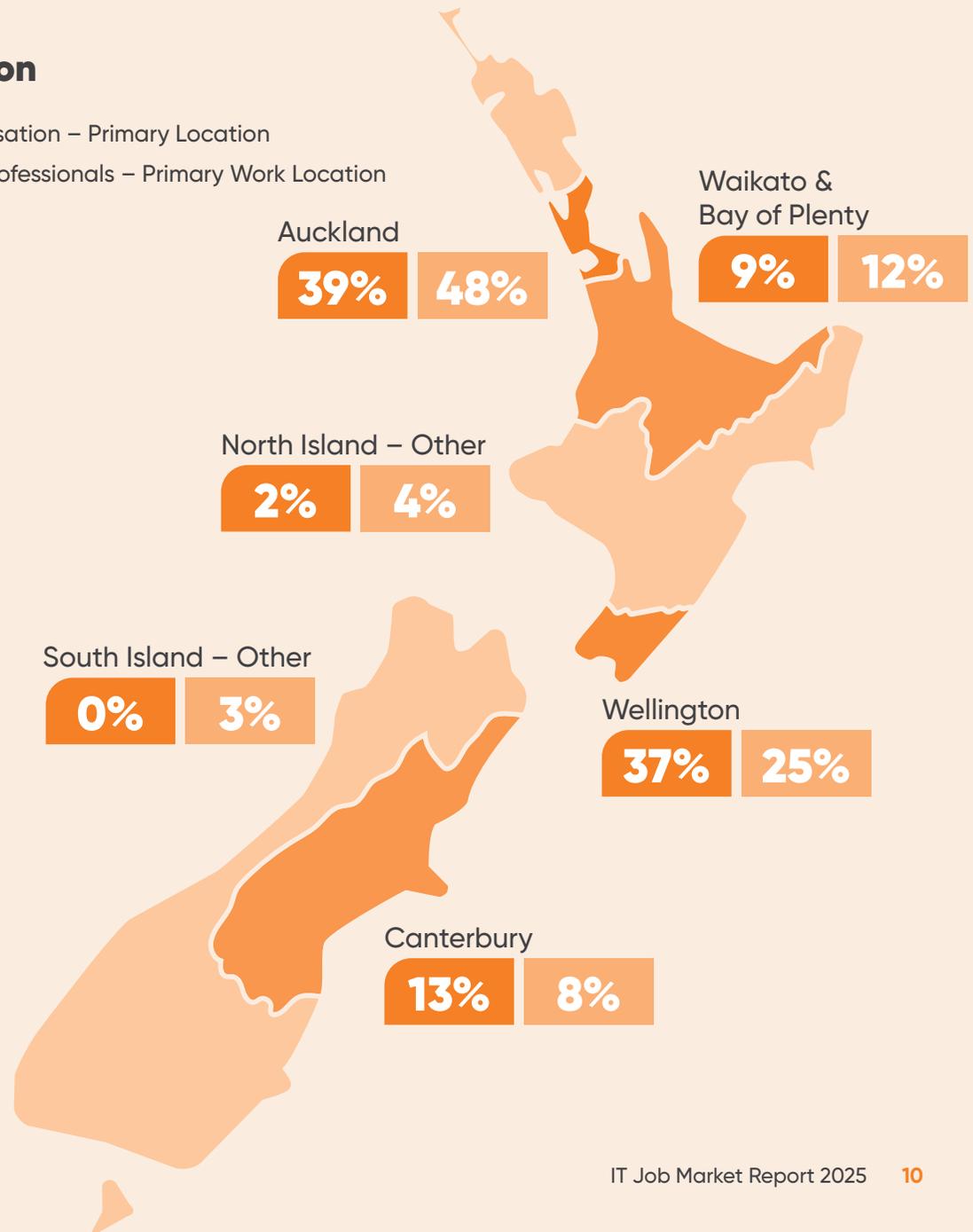


Company Size

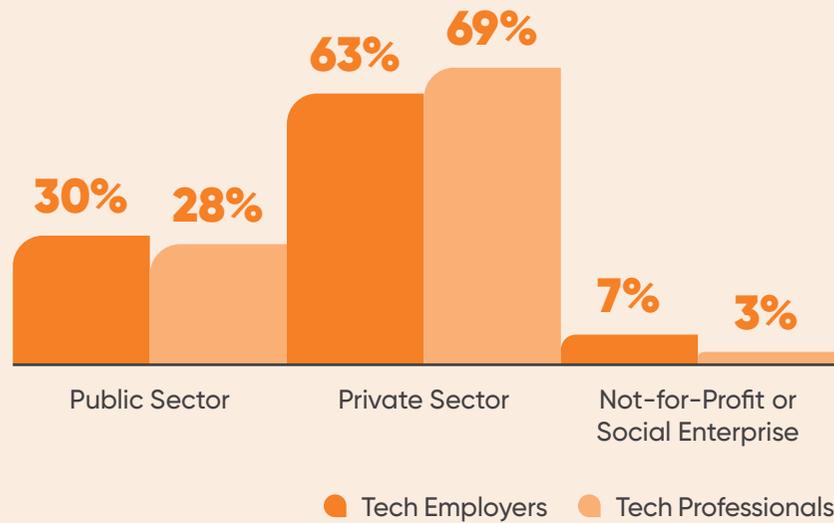


Location

- Organisation – Primary Location
- Tech Professionals – Primary Work Location

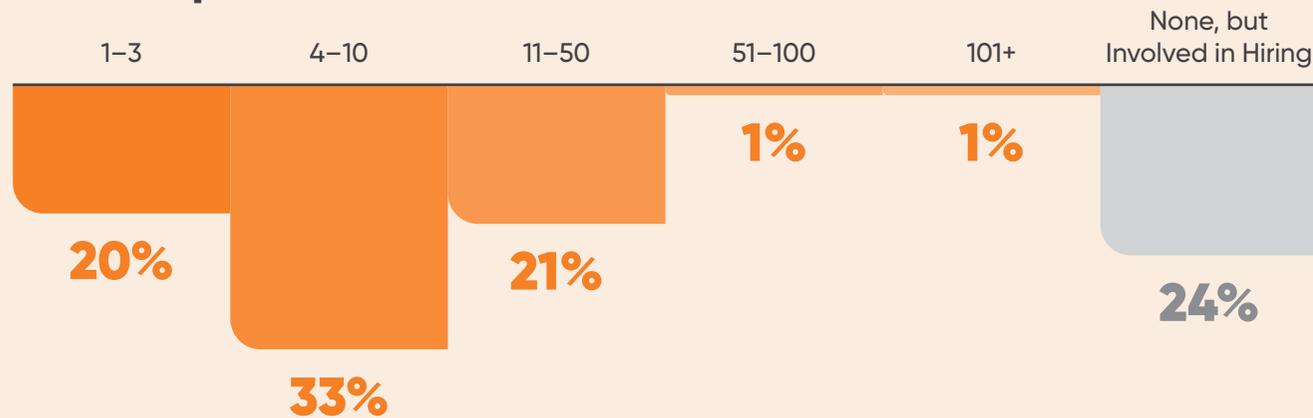


Business Sector



tech employers

Direct Reports

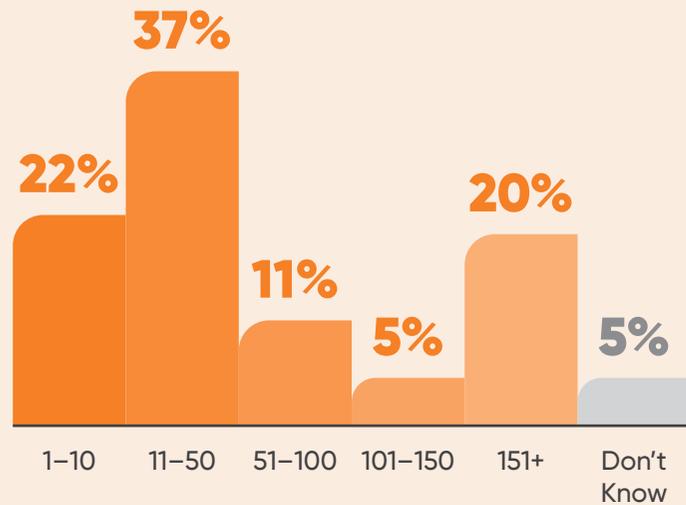


Role in Hiring Process

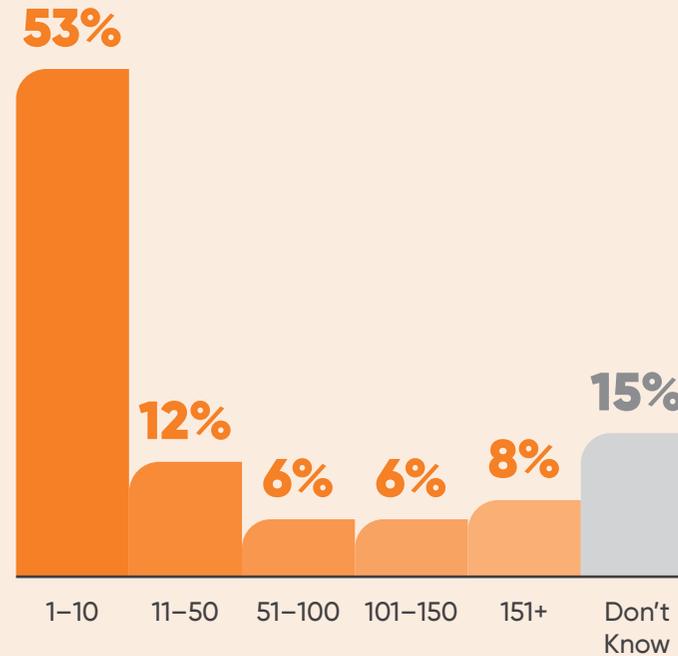


- Senior Management, Executive, or Leadership Team
- Hiring Manager or Team Leader
- Talent Acquisition, People & Culture, or Human Resources Team
- Business Owner or Director
- Support Staff or Team Member

Number of Permanent Tech Employees at Company



Number of Contractor Tech Employees at Company



94%
of Tech Employers currently employ permanent tech staff

55%
of Tech Employers currently employ tech contractors

tech professionals

Gender

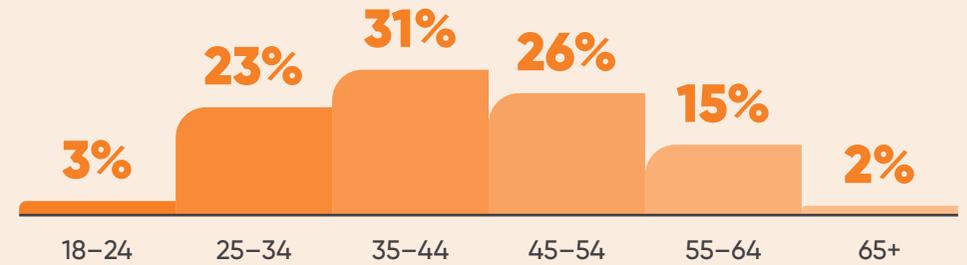
73%
Male

26%
Female

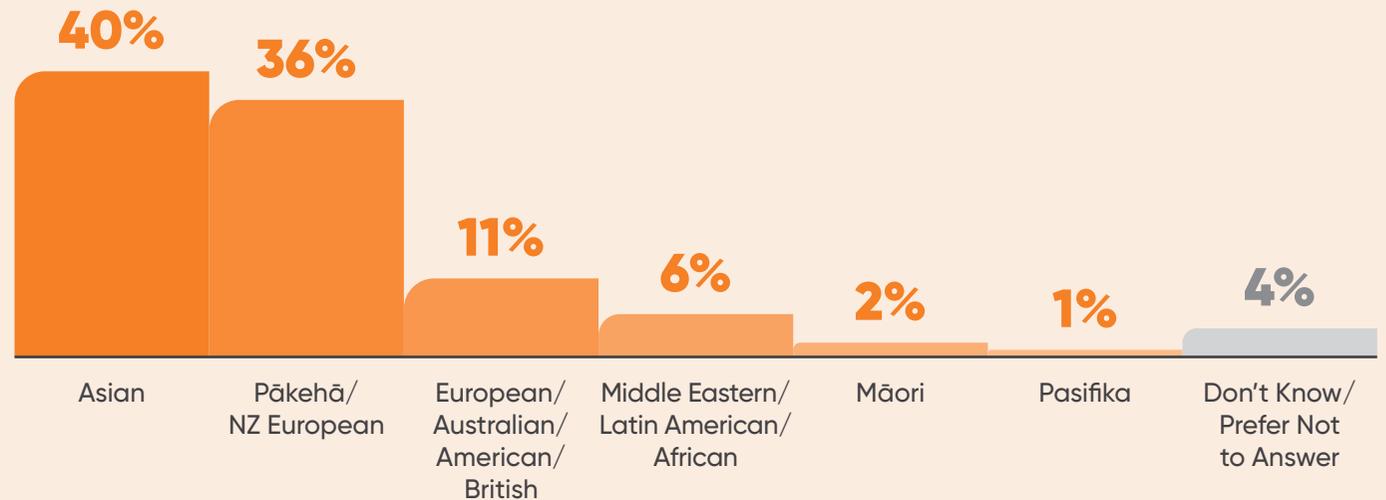
0.4%
Non-Binary

0.6%
Prefer Not to Say

Age



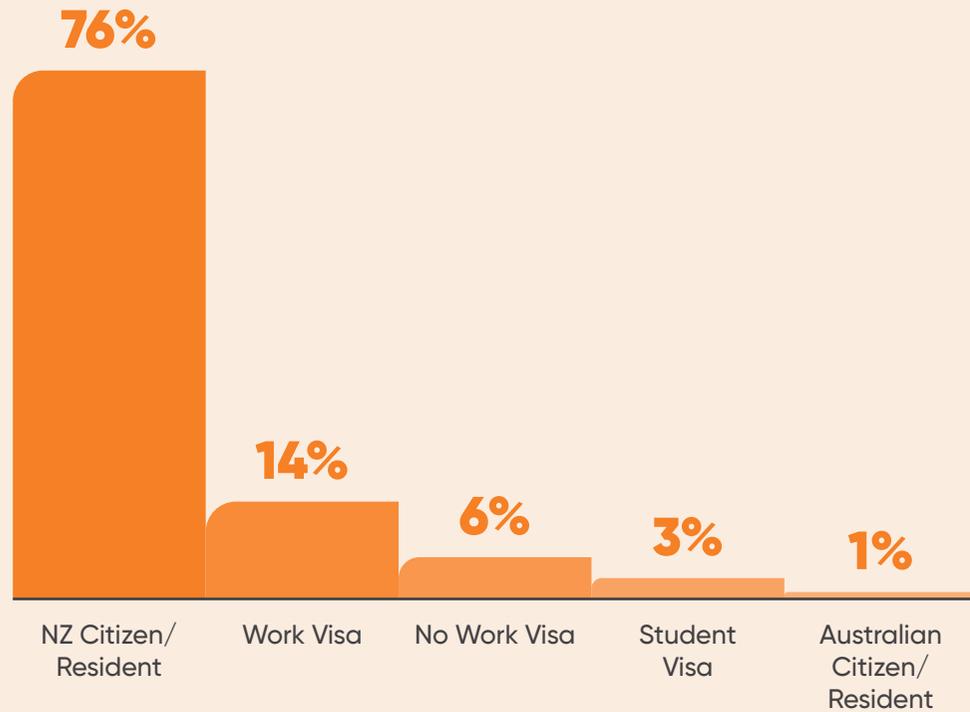
Ethnicity



Current Employment Status



Right to Work



Employment Type



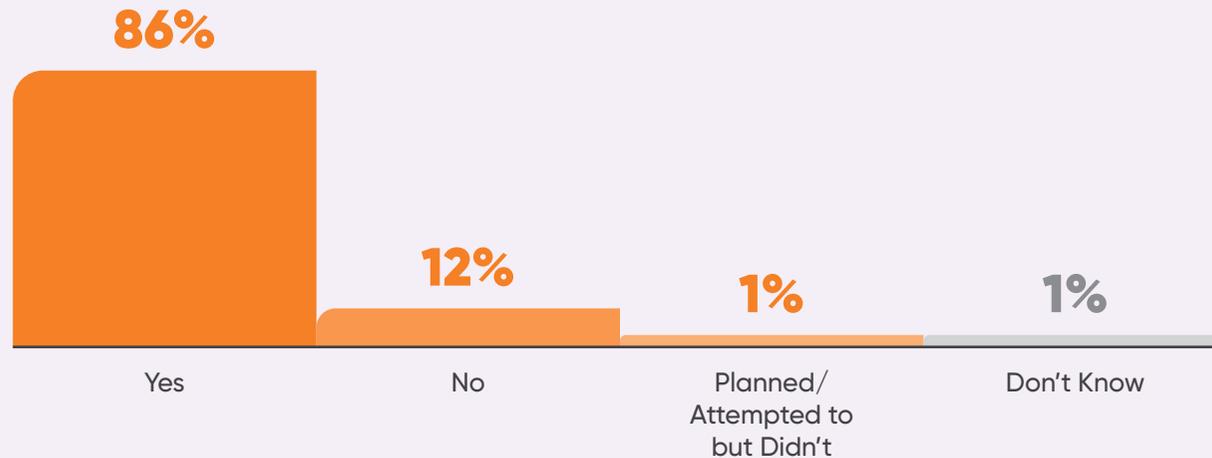
Work Type



data insights

The Tech Workforce: 2024 in review

Number of Tech Employers That Hired in 2024



40%

of Tech Employers said hiring in 2024 was easier than compared to the previous year

This is a 74% increase on last year's reported hiring ease. Outside of areas of persistent skills shortage, Tech Employers are generally finding it easier to hire year on year as more available talent has entered the market.

Reset salary expectations and cautious business conditions have also made hiring less intense compared to the candidate and skills-short markets of recent years.

78%

of Tech Employers hired permanent tech staff in 2024

The majority hired between 3–5 new permanent tech staff. This is a 2.5% decrease from 2023.

44%

of Tech Employers hired tech contractors in 2024

The majority hired between 1–2 new contractors. This is a 2% decrease from 2023.

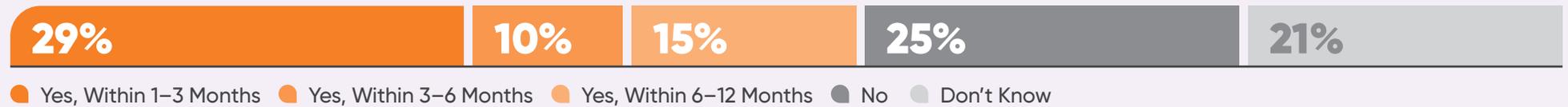
Why Tech Employers Didn't Hire in 2024

The most common reason organisations didn't hire tech or IT staff last year was a lack of business need, driven by low turnover, no new projects, or sufficient internal resourcing. Many cited economic pressures, budget constraints, or recruitment freezes, particularly within the public and health sectors.

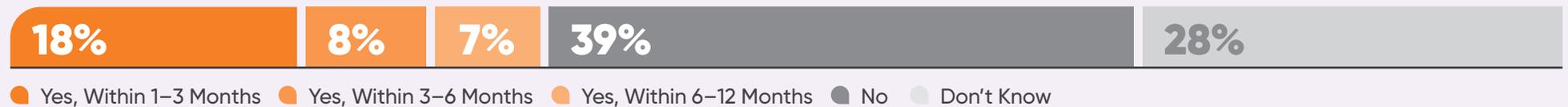
Others paused hiring due to business slowdowns, funding uncertainty, or ongoing planning and restructuring activities. A few organisations also noted that roles were either outsourced, covered by contractors, or that suitable skills were not available.

Tech Employers: hiring trends

Hiring Plans for Permanent Tech Staff in 2025



Hiring Plans for Tech Contractors in 2025



Top 10 Most In-Demand Roles/Skills for 2025



#1

Developers/
Programmers



#2

Engineering
– Software, Network
or Hardware



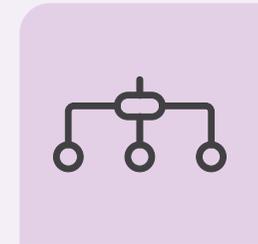
#3

Business/
Systems
Analysts



#4

Help Desk &
IT Support



#5

Architects



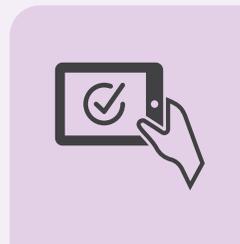
#6

Programme &
Project Management



#7

Product
Management
& Development



#8

Testing &
Quality Assurance



#9

Networks &
Systems Administration



#10

Consultants

Permanent Hiring

Top Reasons for Hiring Permanent Tech Staff in 2025

#1

Replacing Staff

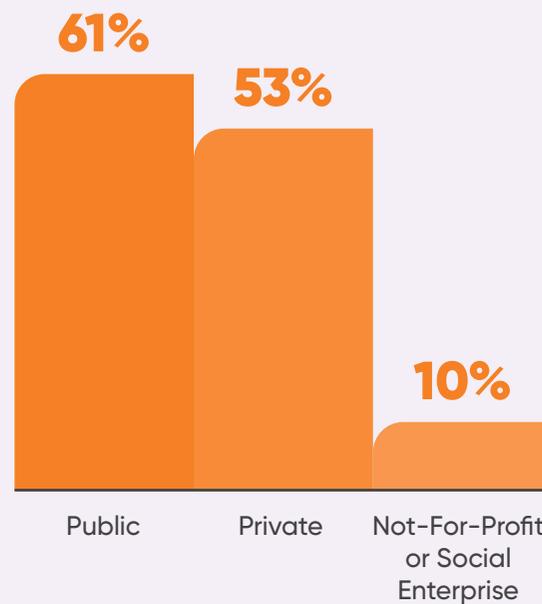
#2

Project Work

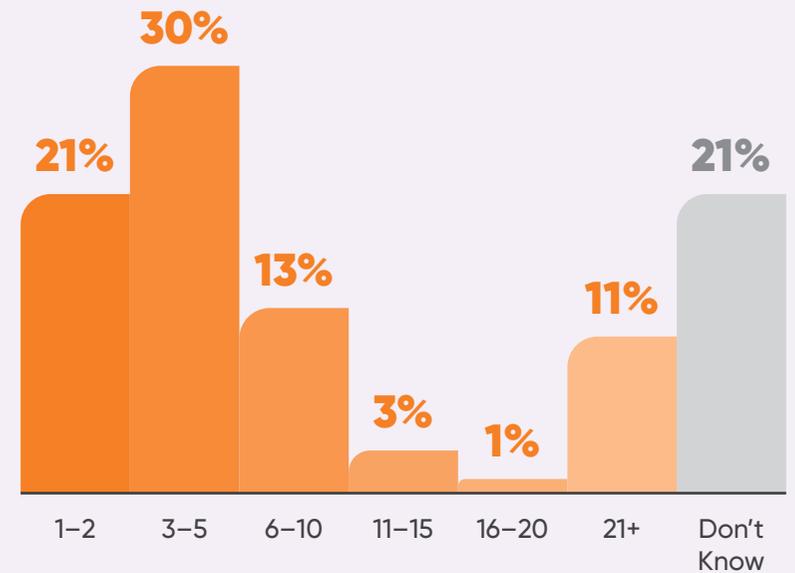
#3

Increased Customer Demand

Organisations Planning to Hire Tech Staff in 2025 by Sector

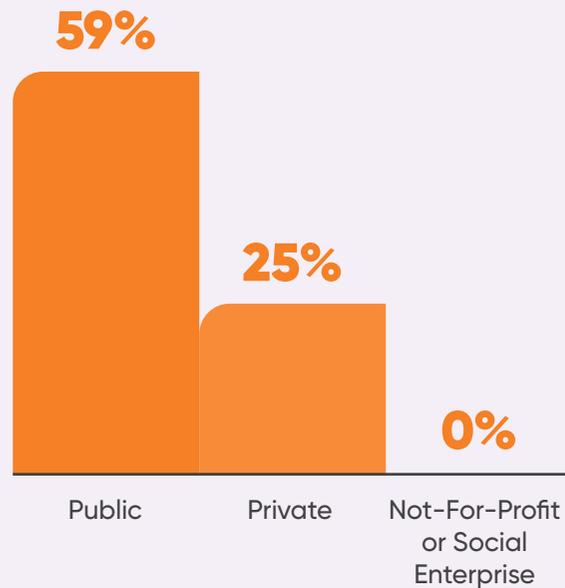


Number of Tech Staff Tech Employers are Planning to Hire in 2025

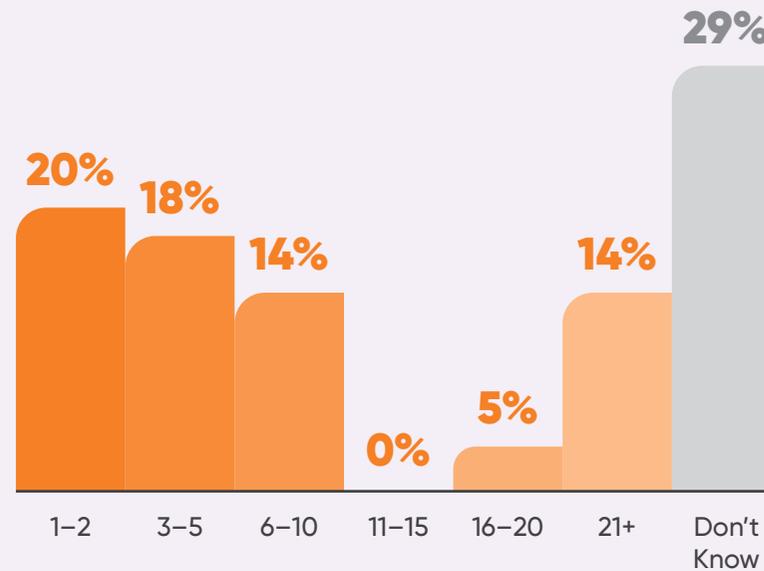


Contractor Resourcing

Plans to Hire Tech Contractors in 2025 by Sector



Number of Contractors Tech Employers are Planning to Hire in 2025



Top Reasons for Hiring Contractors in 2025

#1

Project Work

#2

More Business Flexibility

#3

Opex vs. Capex Spend

Hiring Challenges & Constraints

Top Business Challenges for Tech Employers in 2025



#1

Budget Constraints



#2

Current Economic Environment



#3

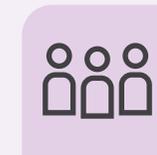
Growing Market Share

Top Hiring Challenges for Tech Employers in 2025



#1

Budget Restrictions



#2

General Availability of Talent



#3

Lack of Specific Skills

Strategies to Address Hiring Challenges



Assess critical skills and future needs

Where are your skills gaps today? Where do you expect them to be in the next 6–12 months? Identify when you'll need someone with those skills ready to go in their role, and work backwards to create a hiring or training plan.

Build your talent pipeline early

Start engaging with potential candidates before roles officially open. Whether through networking, talent pooling, or partnering with specialist recruiters (like Absolute IT), having relationships in place will help you move quickly when the right opportunity or need arises.

Strengthen your employee value proposition (EVP)

As the market continues to pick up the hiring-pace, make sure your EVP goes beyond salary. Highlight career development, flexibility, workplace culture, and meaningful work – these are the differentiators that will help you attract and retain top talent.

Balance permanent and contract hiring

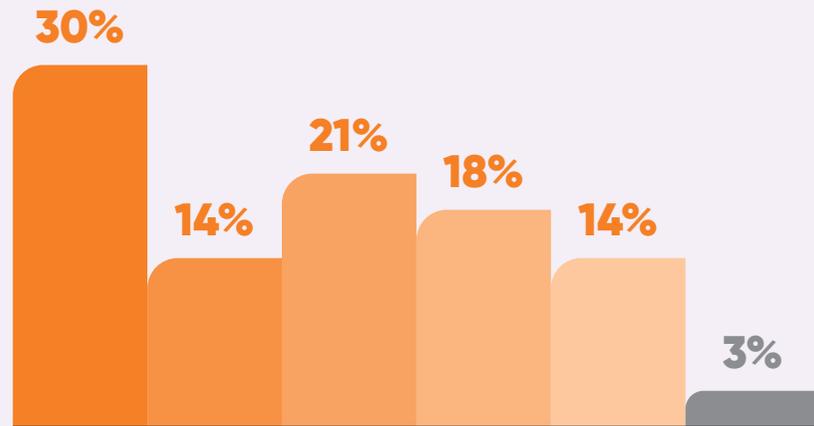
Consider where a contractor could help cover specialised needs or projects for a specific period of peak work. This mix can give you the flexibility to scale up or down as your business needs change.

Invest in upskilling and internal mobility

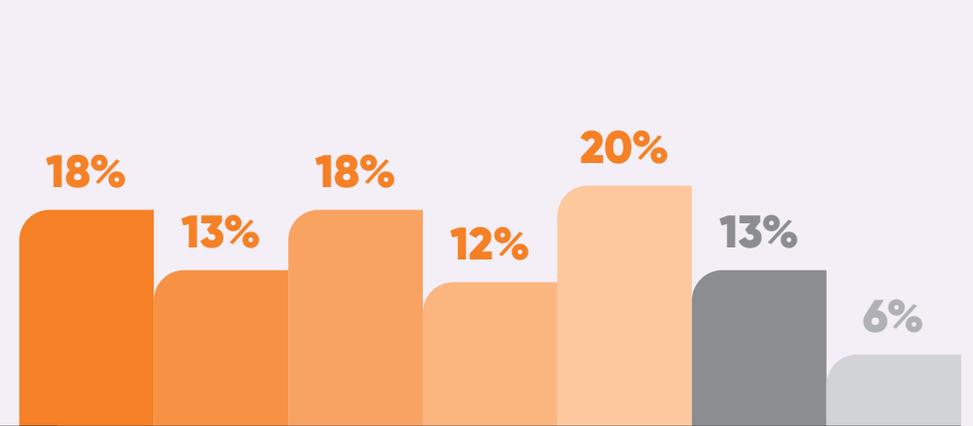
Retention starts from within. Focus on developing your existing team's skills, particularly in emerging areas like automation and AI. Create clear internal pathways for career progression – it's one of the best ways to future-proof your workforce.

Future Skills: training & upskilling

Types of Training or Upskilling Offered to Tech Staff by Tech Employers



Types of Training or Upskilling Available to Tech Professionals



- Training on a Case-By-Case Basis
- Structured Programme with Regular Training/Workshops/Seminars/Courses
- Occasional Access to Internal and/or External Training/Workshops/Seminars/Courses
- Opportunities, Time Off, or Funding for Staff to Pursue External Training
- No Programme for Upskilling Existing Tech Staff
- Don't Know
- Not Applicable/Eligible

Types of Internship or Graduate Programmes Offered by Tech Employers



- No Specific Programmes for Interns or Graduates
- Well-Established Internship Programme with Structured Projects and Mentorship
- Opportunities for Recent Graduates with a Dedicated Onboarding Process
- Set Internship and Graduate Programmes in Place
- Not Sure



Tech Professionals: job seeking trends

85%

of Tech Professionals are happy with their current workplace

Top Contributors to Workplace Satisfaction



#1

Flexible, Hybrid or Remote Working Options



#2

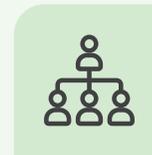
Work/Life Balance



#3

Interesting/Satisfying Work

Top Detractors to Workplace Satisfaction



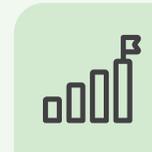
#1

Poor Management Style



#2

Poor Workplace Culture



#3

Lack of Career Development Opportunities

Perceived Work/Life Balance



86%

of Tech Employers offer flexible working options

Top Types of Flexible Working Options Available to Tech Professionals



84%
Hybrid Working



50%
Flexibility to Start Early and/or Finish Late



34%
Flexibility to Work Any Time Within a Range of Hours



28%
Fully Remote Working



19%
Core Required Hours, with Flexibility Outside of This



61%

of Tech Professionals are considering moving to a new workplace in 2025

Top Reasons for Changing Jobs



#1

Better Salary/Income



#2

Contract/Project Coming to an End



#3

Career Development/Promotion

67%

of those considering seeking a new role are actively looking

18% will start looking in the next 6 months, and the remaining 15% would move if the right role came up.

Most Challenging Part of Job Hunting for Tech Professionals

-  **52%**
Lack of Roles
-  **40%**
Finding the Right Organisation
-  **29%**
Time and Effort Required to Search/Prepare



2 / **5**

Tech Professionals rate the ease of finding a job in their specialty area at just 2 out of 5 – indicating they see the current job market as challenging and competitive.

Top Reasons for Accepting a New Job Offer

- #1**
Better Salary/
Overall Remuneration
- #2**
Career Development
Opportunities
- #3**
Better Work/
Life Balance

Living & Working Overseas

28%

of Tech Professionals are considering moving to live and work overseas

44% of those considering moving are planning to move in 2025, while 56% are not sure how soon they would move.

Planned Length of Time for Living and Working Overseas



Motivation for Moving Overseas



The Overseas Pull: What It Means for Tech Employers

In the past few years, we've seen a continued trend in Kiwi Tech Professionals considering or making a move overseas, driven by the lure of stronger career development opportunities, the promise of higher earning potential, bigger projects and tech markets and the coveted typical Kiwi 'overseas experience'. With **28%** considering a move and over a third planning to stay abroad permanently, this "brain drain" adds real pressure to New Zealand's already tight tech talent pool.

Retaining top tech talent goes beyond salary. Successful tech employers enhance their employee value propositions by providing competitive pay, clear advancement opportunities, meaningful work, flexibility, and a valued culture – and understand how to showcase their EVP. Managing departures involves knowledge transfer, succession planning, and creatively using remote or offshore models to keep talent connected to the local market.

With some of this talent movement being inevitable, we don't recommend focusing on preventing their departures. Many Tech Professionals leaving for short to mid-term stints could be open to returning if employers keep the door open and provide meaningful re-entry pathways.



What Employers Can Do

- ✓ Offer clear career development and growth pathways
- ✓ Strengthen workplace culture and purpose-driven work
- ✓ Provide flexible work arrangements that fit modern expectations
- ✓ Build alumni or return networks to welcome talent back
- ✓ Prioritise knowledge transfer and succession planning before key departures
- ✓ Explore remote or offshore project opportunities to stay connected with overseas talent

tech trends, ai & automation

Tech Employers

Most Impactful Tech Trends in 2025 According to Tech Employers



What Tech Employers are Excited About in 2025

Insights from Tech Employers across New Zealand show that AI is the standout exciting tech opportunity in 2025. Leaders are no longer just exploring AI – they’re actively integrating it to drive productivity, streamline internal processes, and enhance services.

“We’re no longer just exploring AI – we’re actively integrating it to drive productivity and streamline processes”,

shared one employer, reflecting a shift we’re seeing across many sectors. From testing and

automation to data analysis and customer experience, AI is seen as a practical tool to do more with less.

There’s also a growing focus on building the right culture and skills internally, with several employers noting the importance of curiosity, adaptability, and critical thinking to fully realise AI’s value, while also calling for a more measured, results-focused approach beyond the hype. One leader said:

“AI is helping us do more with less, but the real challenge is building the internal culture and skills to use it effectively.”

Beyond AI, employers highlighted opportunities in cloud technology, data platforms, and public sector digital transformation. Some see constrained budgets as a trigger for overdue innovation, while others are more cautious, focusing on stabilising environments and helping clients get the most from existing systems. Across the board, 2025 is being viewed as a year of targeted, intentional innovation rather than aggressive expansion.

86%

of Tech Employers are presently using AI in their business or team

This represents a 43% increase from last year's report.

Another 8% of Tech Employers plan on using AI and the majority say they plan on using it for research and information gathering.

How Tech Employers are Using AI in the Workplace

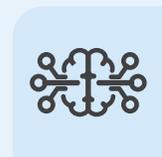


The Impact of Using AI for Tech Employers



Tech Professionals

Tech Trends That Tech Professionals Think Will Have the Most Impact on Their Role in 2025



#1

Artificial Intelligence



#2

Business and/or
Digital Transformation

#3

Cloud vs. On-Premise

What Tech Professionals are Excited About in 2025

Tech Professionals across New Zealand overwhelmingly point to AI and automation as the most exciting industry opportunities in the year ahead. Many see the shift from experimental to practical applications of AI as a significant game changer – from improving productivity and operational efficiency to reshaping industries like public services, cyber security, and customer experience.

“AI is finally moving from a plaything to a real, practical tool.”

There’s also enthusiasm around the growing presence of cloud computing, the local launch of major cloud data centres, and the possibilities emerging from the Internet of Things (IoT) and quantum computing.

Some Tech Professionals are cautiously hopeful that the economy’s gradual improvement will lead to new projects, more hiring, and fresh innovation in areas like digital transformation, business strategy alignment, and sustainability. Others highlighted broader hopes: creating more opportunities for women in tech, developing successful homegrown start-ups, and seeing New Zealand’s tech sector catch up with

international standards in both capability and ambition. As one respondent put it:

“It’s time for New Zealand’s tech industry to catch up with global innovation – I’m ready to be part of that.”

While optimism leads the conversation, some respondents expressed scepticism about the pace of progress, with some concerned that the sector risks falling behind if public and private investment, innovation, and leadership don’t keep pace with global trends.

71%

of Tech Professionals are using AI in their day-to-day work

This is a 40% increase from last year's report.

How Tech Professionals are Using AI for Work

-  **50%**
Content Generation and Writing
-  **61%**
Research and Information Gathering
-  **41%**
Coding and Development
-  **33%**
Automation and Efficiency
-  **51%**
Problem Solving and Idea Generation

The Impact of Using AI for Tech Professionals

-  **68%**
Improved Efficiency
-  **59%**
Improved Productivity
-  **41%**
Improved Quality of Work
-  **27%**
Improved Communication
-  **20%**
More Time for Value-Add Activities

29%

of Tech Professionals are not using AI in their day-to-day work

12% plan to use it in the future.

Why Tech Professionals Aren't Using AI in Their Team or Organisation

Many Tech Professionals report that they or their organisation aren't using AI because they see no immediate need, lack clear use cases, or face organisational barriers like outdated systems, company policies, or leadership hesitation. Others point to concerns about data privacy, security risks, or the reliability of current AI tools, particularly for complex or sensitive work. Some haven't had the time, resources, or upskilling opportunities to explore AI meaningfully, while a smaller group raises ethical or environmental concerns about its broader impact.

However, as AI adoption accelerates across New Zealand and the global tech industry, organisations that delay considering utilising AI may risk falling behind. Without thoughtful AI integration, businesses may find their tech stacks becoming outdated, their operations less efficient, and their competitive edge slipping compared to peers who are leveraging automation, advanced analytics, and AI-driven innovation. There's an opportunity for organisations to engage proactively with AI, balancing its potential with strong governance and security.

What Employers Can Do

- ✓ Identify clear, high-impact AI use cases aligned to business goals
- ✓ Provide upskilling and education for teams to build confidence and capability
- ✓ Review and update internal policies or governance frameworks around AI use
- ✓ Start small: pilot AI tools in low-risk, high-value areas to build trust and proof of value
- ✓ Engage leadership early to create an organisation-wide AI strategy, not just isolated efforts

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.

about us

Exceptional people

Hiring the right people is essential for your business. That's why we set high standards for our own team – ensuring you work with recruitment specialists who know and understand the tech industry in New Zealand. Our consultants undergo a rigorous selection, induction and training process, so you can trust that you're getting the experience and advice you need when hiring your team. We invest in career development and progression, ensuring our team can help you secure the right people to drive your business forward.

Committed to Growing New Zealand's Tech Sector

When you partner with Absolute IT, you're working with a recruitment agency that's deeply invested in New Zealand's technology sector. We support the industry through recurring sponsorships and active participation in leading events, ensuring we stay at the forefront of tech trends and innovation. We also collaborate with key organisations like NZ Tech and the Technology Investment Network (TIN) to provide the latest market insights and connections that benefit your hiring strategy.

Areas of Expertise

- Agile/Scrum
- AI & Machine Learning
- Architecture
- Business Analysis
- Cloud & Infrastructure
- Data – Analysis, Engineering & Development
- Development
- DevOps & Site Reliability
- Digital
- Engineering
- Executive & Management
- Networking & Telecommunications
- Procurement & Commercial
- Product Management & Ownership
- Programme & Project Services
- Sales
- Security
- Technical Support
- Testing & Quality Assurance
- UX & UI



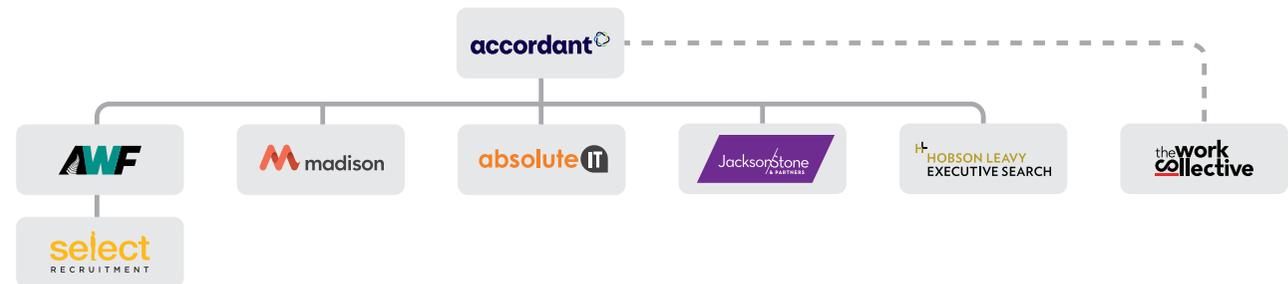


the accordant group

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, a social impact initiative that helps people with persistent barriers to work meaningful employment.

To find out more, [visit accordant.nz](https://www.accordant.nz)



Absolute IT is a specialist agency that operates solely in the tech and digital market, recruiting permanent and contract IT professionals.

Hobson Leavy is a retained executive search firm with an extensive track record in both the public and private sectors, successfully appointing some of New Zealand's most senior leaders at Board, CEO and Executive level.

Madison recruits temporary, contract and permanent staff for a broad range of clients and industries in the commercial and government sectors.

AWF provides labour hire and recruitment services from 20 branches across the country including Select Recruitment in Dunedin.

JacksonStone & Partners is one of the most experienced executive search, recruitment and contracting agencies in New Zealand, covering all disciplines up to chief executive and board appointments across the private, public and not-for-profit sectors.

The Work Collective, our social employment initiative, is supported by each of our businesses and focuses on helping people with barriers to employment find meaningful work opportunities.

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For more information about this report, hiring tech talent,
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