Employer Insight Report

Absolute IT are pleased to present our latest Employer Insight report from our recent survey of over 400 ICT employers throughout New Zealand. This report explores some of the key issues and trends around employment in the ICT sector and provides insight into what 2014 has in store.

SUMMARY OF KEY FINDINGS

Since our January 2013 report we are seeing a strong increase in employer confidence. The survey results indicate that we can expect to see strong growth in the New Zealand ICT sector in 2014.

There is evidence of an improving economy & growth in the ICT sector specifically; with 75% of employers planning to recruit additional staff, 43% of which are looking to hire in the next 3 months. The main reason cited for this increase in staff is ‘new projects’ at 38%. The second highest reason to recruit for the public sector is ‘increased demand of IT from the business’, while the private sector claims ‘increased customer demand’ as their second top reason to recruit.

The report shows that 2013 was stronger than anticipated with 75% of employers giving their staff a pay increase while only 44% of them had planned to at the time of our 2013 survey.

Employers are optimistic about 2014 with 47.5% planning to give their staff/contractors a pay increase, a 3.5% increase on last year, and only 6% are planning to decrease staff numbers; the majority of which are only planning to decrease their team by 1-2 people. This is a significant decrease on 2013’s results where 7% were looking to decrease, and 41% of which were decreasing by 3-5 people.

The skills in demand remain consistent as; Business Analysis, Software Development and Project Management. With the skills employers are expecting to see on the future ‘hot list’ being; Cloud, Business Analysis, Mobile App Development and Business Intelligence.

Social media continues to shift in popularity with a small decrease in the number of employers using it to promote their brand and attract new staff. However it appears that those who are using it are using it better, with a 38% decrease in those stating they ‘have used with no results’ and a 13% increase in those who ‘have used with some success’ & found it ‘very effective’. Our recent Job Seeker Survey indicates 79% of job seekers are using social media and websites to evaluate potential employers, highlighting the opportunity for employers to attract staff via social media.

INDUSTRY SECTORS OF SURVEY PARTICIPANTS

REGIONAL SPLIT OF PARTICIPANTS

REMUNERATION

Employers planning to give staff/contractors a Pay Increase in 2014

Year on year comparison

Regional year on year comparison - YES
**Employer Insight**

**February 2014**

**Motivations for Hiring**

- **Timeframes of employers planning to hire**
  - 75% of all employers are planning to hire in 2014
  - 43% within 3 months
  - 13% within 12 months
  - 19% within 6 months

- **Key reasons for hiring in 2014**
  - 38% new projects
  - 18% replacement of staff
  - 17% increased customer demand
  - 16% increased demand of IT from the business
  - 7% adoption of new technology
  - 4% other
  - 25% not hiring in 2014

**Permanent vs. Contractors**

- 63% permanent
- 37% contractors

- **All**
  - 41% permanent
  - 59% contractors

- **Public Sector**
  - 73% permanent
  - 27% contractors

- **Private Sector**
  - 37% permanent
  - 63% contractors

**Skills in Demand**

Areas employers are planning to recruit in 2014:

- The top four skills employers say will be 'Hot' in 2014:
  - Mobile App Developer
  - Business Intelligence
  - Business Analyst
  - Cloud

**Areas employers are planning to recruit in 2014**

- Business Analyst
- Software Development
- Project Management
- Networking & Infrastructure
- Testing
- Architecture
- Production & Operations

- All: 16%
- Public Sector: 14%
- Private Sector: 18%
### Pay Increases: Expectation vs Reality

**2013**
- Pay Increases planned: 44%
- Pay Increases given: 75%

**INCREASE**

**2014**
- Pay Increases planned: 47.5%
- Pay Increases given: tbc *

*If the 2013 trend continues then 81% of people could expect a pay rise.

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**Market Insight**

- 2013 was stronger than anticipated with 75% of employers giving their staff a pay increase while only 44% of them had planned to at the time of our 2013 survey.

Employers are optimistic about 2014 with 47.5% planning to give their staff/contractors a pay increase, a 3.5% increase on last year.

If the 2014 expectation versus reality numbers reflect the 2013 increase then 81% of employees could expect a pay increase in 2014.
The Absolute IT Employer Insight Survey captures valuable information on the ICT Industry in New Zealand, particularly employer’s hiring intentions for contractors and permanent employees in both the public & private sectors.

The report is formed from over 400 respondent replies with the majority of recipients made up from Wellington, Auckland, Waikato/BOP and Christchurch, and the remainder split between North & South Island ‘other’.

The report is renewed every 12 months following our annual December survey.

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