Hamilton/Bay of Plenty Regional Report

October 2019

The tech job market in Hamilton/BoP - skills, trends and challenges

absoluteIT RECRUITMENT
Hamilton/BoP IT Job Market Overview

October 2019

The 2018 TIN Report* found that the Hamilton region recorded the largest revenue growth rate for the year, up 16.3%, a $119m increase from the previous year.

This is a region that is still an Agritech pioneer and according to the TIN report, firms provided 93.3% of the region’s technology export earnings turnover and accounted almost 100% of its growth. The fertile Waikato region has produced globally successful companies such as Gallagher Group, Simcro and NDA Group who are creating innovative solutions to improve productivity and efficiencies of our primary industries.

IT job seekers in Hamilton rate career development as their number one motivating factor to change jobs. This is a trend that we are seeing across all regions - techs are feeling the pressure to not only keep up, but regularly up-skill as digital transformation and new disruptive technologies are continually changing the rules, with job security never guaranteed.

Employers in Hamilton are finding it hard to source certain skill-sets as competition for selected tech and digital skills are on an all time high, both locally and abroad. Some employers are offering remote working as a way to hold onto staff, and recruit from other markets- this may be a savvy move as ‘remote working’ tops the list of non-financial benefits that techs find desirable.

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*The annual TIN Report quantifies the economic significance of New Zealand’s technology industry by capturing key data on the country’s top 200, revenue earning, high-tech companies and reporting analysis on the 600+ companies surveyed each year. Companies need to generate at least 10% of their earnings offshore.
Key Findings

Over a quarter of employers are saying that attracting and retaining IT talent is getting harder year on year in Hamilton/BoP. Over the last two years, 'new projects' have remained the biggest driver for hiring IT staff in the region. It is also clear that digital transformation is affecting internal recruitment needs. With businesss taking on new projects, the second highest recruitment driver is an increase in demand of IT requirements within businesses.

IT techs are stating that it is not all about money for them, they are primarily looking for career development opportunities. The most popular reason why 48% of IT techs want to change jobs is for 'career development' (27%) followed by 'better income' (14%) while 'project coming to an end' (13%) takes up the third spot.

Industry split

In the Hamilton/BoP region, the private sector makes up 56% of IT employers while the public sector makes up 44% of IT employers.

Skills in demand

Business Analysis tops the list as the most in-demand skill set from IT employers in Hamilton/BoP. Support/Help Desk and Software Development skills make up the rest of the top five skills-in-demand.

Salary increases for 2019

The majority of IT employers (71%) plan to give their techs a salary rise, with 27% unsure if they will do so.
Skills

Overall the top 10 most prevalent skills among Hamilton/BoP's job seekers are:

- Software Development
- Support/Helpdesk
- Management
- Project Management
- Networking/Infrastructure
- Business Analysis
- Data/Database
- System Administration
- Business Intelligence
- Strategy/Consulting

The top 10 skills that IT employers in Hamilton/BoP want to recruit for include:

- Business Analysis
- Support Helpdesk
- Software Development
- Project Management
- Networking & Infrastructure
- Testing/QA
- Architecture
- Business Intelligence
- Agile
- Digital/Cloud

Challenges

We cross-referenced the top ten skills-in-demand from IT employers with the skills available in Hamilton/BoP. It is clear that Business Analysis, Testing/QA, Architecture, Agile and Digital skills are the biggest pain points for employers, with demand far outstripping supply.
IT Professionals in Hamilton/BoP

- **Permanent**: 82%
- **Contract**: 18%
- **Full time**: 90%
- **Part time**: 10%

17% Female

48% want to change jobs in the year ahead

**Top three reasons for changing jobs:**
1. Career development (27%)
2. Improved income (14%)
3. Project finishing (13%)

**Primary deciding factors when considering a new job offer**
1. Better income (36%)
2. Challenging work (17%)
3. Training & development opportunities (14%)
4. Better workplace culture (14%)
5. Flexible hours/remote working (11%)

- **Median base salary**: $85,000
- **Median contracting rate**: $80/hr

88% rate their workplace as a good place to work
87% have flexible working hours and/or remote access
76% of IT employers in Hamilton/BoP will be recruiting for staff over the next 12 months.

**Key reasons employers are hiring**

1. New projects (26%)
2. Increased demand of IT from the business (24%)
3. Increased customer demand (23%)

**Type of jobs that employers will recruit**

- Contract jobs: 21%
- Permanent jobs: 79%

**Biggest business challenges for IT employers**

Budget constraints/funding is the primary business challenge for Hamilton/BoP IT employers. Attracting and retaining staff comes in at number two and growing their market share round up their top three business challenges.

**The upside for employers who offer remote working**

36% of Hamilton/BoP IT employers offer remote working.

Remote working offers tech employers a strategy to mitigate the challenges of both staff retention and budget constraints. 69% of IT employers in Hamilton/BoP say that staff retention is the primary reason to offer remote working benefits and 13% say they do it to attract overseas talent.
Work Life Balance

44% of Hamilton/BoP techs rate their work/life balance as above average, 48% rate it as average and only 8% rate it as below average.

Career development opportunities, remote working and flexible working hours are the top three non-financial benefits for techs here.