Wellington IT Job Market Overview

May 2019

According to the 2018 TIN (Technology Investment Network) Report New Zealand’s tech sector is fast catching up with the tourism industry as an export revenue earner for New Zealand, and Wellington is one of the major tech hubs that is driving this growth.

**Wellington was the second largest export revenue generator in tech in New Zealand in 2018, delivering $2.35 bn in revenues and it was also the top region in tech job growth in the country, creating 798 tech jobs last year.**

And while we can attest to a robust and fast-growing tech sector in Wellington, it is also the region that is the most under pressure with a candidate shortage in several high-in-demand-skills areas. The challenges of faster online response times, digital transformation projects, mobile solutions and disruptive new technologies are driving the need for specialised data and digital skills in the region. This is evident when we reviewed the top 10 skills in demand and the need for Agile, Data and Digital skills are in the top six skills in demand, with Agile skills making its debut in the top three.

It is clear that IT employers are feeling the pressure and that we are currently in a candidate driven market in Wellington, especially for those with sought-after skills. We have found that employers have to put their best foot forward, offer excellent benefits and act fast to secure talent, as these candidates often have several offers to choose from.
Key Findings

Over the last three years there has been a steady rise in employers stating that they find it harder to source IT talent.

Currently, **40%** of Wellington IT employers say it is harder to source IT talent compared to a year ago; this is up **13%** from last year's report (27%), up **20%** from 2017's report (20%).

**Industry split**

The public sector is the largest IT employer in Wellington, making up 61% of the IT employers in the capital city versus 39% of private sector employers.

**Skills in demand**

Agile makes its debut in the top three most-in-demand skills in Wellington, and Data/Database is at number four, showcasing the impact of digital on the IT workplace.

**Salary increases for 2019**

The majority of IT employers (58%) are planning to pay an increase, 30% are unsure if they will do so, while 12% state that they will not do so this year.
**Wellington Job Market**

**Skills**

Overall the top 10 skills most prevalent among Wellington’s job seekers are:

1. Software development
2. Project Management
3. Business Analysis
4. Testing/QA
5. Management
6. Networking/Infrastructure
7. System Administration
8. Architecture
9. Support/Helpdesk
10. Data/Database

The top 10 skills that IT employers in Wellington want to recruit are:

1. Business Analysis
2. Software Development
3. Agile
4. Data/Database
5. Project Management
6. Digital/Cloud
7. Support/Helpdesk
8. Testing/QA
9. Networking/Infrastructure
10. Business Intelligence

**Challenges**

When the skill sets from job seekers and the skills-in-demand from IT employers in Wellington are cross referenced, it becomes clear that Agile, Data and Digital skills are the biggest pain points for employers, as demand far out strip supply.

![Skill Demand Graph]

- **Agile**
  - Architecture
  - Business Analysis
  - Business Intelligence

- **Data/Database**

- **Digital/Cloud**
  - Management
  - Networking/Infrastructure
  - Project Management
  - Software Development
  - Support/Helpdesk
  - Testing/QA
IT Professionals in Wellington

**Permanent** 60%

**Contract** 40%

**Full time** 95%

**Part time** 5%

16% Female

57% want to change jobs in the year ahead

**Top three reasons for changing jobs:**
1. Contract/project coming to an end (25%)
2. Career development (20%)
3. Time for a change (12%)

**Primary deciding factors to accept a new job offer**
1. Better income (30%)
2. Challenging work (23%)
3. Flexible hours/remote working (12%)
4. Training & development opportunities (11%)
5. Better workplace culture (9%)

- Median base salary: $95,000
- Median contracting rate: $100/hr

88% rate their workplace as a good place to work

91% have flexible working hours and/or remote access
**IT Employers in Wellington**

**Key reasons employers are hiring**
1. New projects (24%)
2. Replacement of staff (22%)
3. Increased demand of IT by the business (21%)

**Type of jobs that employers will recruit**

- Contract jobs: 41%
- Permanent jobs: 59%

**Biggest business challenge for IT employers**
Over a third of Wellington IT employers say that **budget constraints and funding are their biggest business challenge** in the year ahead. Attracting and retaining staff (22%) comes in second and creating a positive workplace culture (14%) takes up the third place.

**Remote working as a talent attraction and retention strategy**

48% of Wellington IT employers offer remote working. The majority (53%) of IT employers say that they offer remote working in order to retain staff, while 18% say it helps them to attract talent from across New Zealand.
Work/life balance

44% of Wellingtonian techs rate their work/life balance as above average, 49% rate it as average and only 7% rate it as below average.

Flexible working hours and remote working also rates as the top non-financial benefits for techs in the capital.