Overview

Auckland IT Job Market Overview

June 2019

The Auckland region is fast becoming a tech powerhouse in New Zealand’s economic landscape, as reported by the latest TIN (Technology Investment Network) Report. The TIN Report looks at the export revenues of the top 200 high tech companies in New Zealand and their contribution to the tech sector in New Zealand.

The 2018 TIN Report found that the tech sector is on a such a strong growth path that it is set to become New Zealand’s leading source of offshore income, with the Auckland region as its star player. The combined greater Auckland and Northland regions accounted for 122 of the TIN200 companies, contributing 54.9% of total TIN200 revenue growth ($604M) and $6.34B of total TIN revenue in 2018. The notably high growth tech sectors in Auckland are Biotech and Fintech and the latter is New Zealand’s fastest growing tech sector at the moment.

We can attest to Auckland’s fast and furious growth as a tech sector heavyweight in New Zealand and the ongoing pressure that both tech job seekers and employers are facing to keep up.

IT job seekers in Auckland rate career development as their number one motivating factor to change jobs or even to change countries. As new technologies, digital transformation, mobile solutions and disruptive innovation are all part and parcel of the fast-paced industry, IT professionals are under pressure to not only keep up, but to continuously skill-up. Employers who can ensure that they are offering more than just a salary and give their techs opportunities to grow their skills or work on interesting projects have a better chance of holding on to sought-after tech talent.

Employers are also under pressure to keep up with a fast-changing and demanding market and need to attract often hard-to-find talent that can help them with their digital business challenges. In fact, IT employers state that attracting and retaining talent is their biggest business challenge for the year ahead and it is also clear that some of the most in-demand skills are in short supply, amping up the pressure even more.
Key Findings

Employers are saying that attracting and retaining IT talent is getting harder year on year in Auckland. While 'new projects' is still the biggest reason for hiring in 2019, at 32% it is down 12% from 2018's 44%. 'Replacement of IT staff' however, has shot up 11% to 23% over the last year, indicating that there has been a lot of churn of IT techs in this market.

IT techs are stating that it is not all about money for them, they are looking for career development and challenging work. The most popular reason why 57% want to change jobs this year is 'career development' (27%) and it is also the primary reason (24%) why over a quarter of techs in Auckland are considering working overseas in the year ahead.

Industry split

The private sector is the largest IT employer in Auckland, making up 73% of the IT employers in the city of sails versus 27% of public sector employers.

Skills in demand

Agile makes its debut as the most in-demand skill set in Auckland, on par with demand for software development. Business analysis, architecture and support/help desk skills make up the rest of the top five skills-in-demand.

Salary increases for 2019

The majority of IT employers (56%) are planning to pay an increase, 39% are unsure if they will do so, while only 5% state that they will not do so in the year ahead.
**Skilled**

Overall the top 10 skills most prevalent among **Auckland's job seekers** are:

- Software Development
- Management
- Support/Helpdesk
- Testing/QA
- Networking/Infrastructure
- Business Analysis
- Project Management
- System Administration
- Business Intelligence
- Database and DevOps (share #10 spot)

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

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

**Challenges**

We cross-referenced the top ten skills-in-demand from IT employers with the skills available in Auckland. It is clear that Agile, Architecture, Digital and Security skills are the biggest pain points for employers, with demand far outstripping supply.

- Employer demand
- Job seeker skills
- Low supply of skills

- Agile
- Software Development
- Support/Helpdesk
- Architecture
- Business Analysis
- Networking/Infrastructure
- Business Intelligence
- Digital/Cloud
- Project Management
- Security
IT Professionals in Auckland

- **Permanent**: 81%
- **Contract**: 19%
- **Full time**: 97%
- **Part time**: 3%

12% Female

57% want to change jobs in the year ahead

**Top three reasons for changing jobs:**
1. Career development (27%)
2. Improved income (16%)
3. Contract/project coming to an end (13%)

**Primary deciding factors when considering a new job offer**
1. Better income (37%)
2. Challenging work (19%)
3. Training & development opportunities (11%)
4. Location/travel time (8%)
5. Flexible hours/remote working (7%)

Median base salary

$87,500

Median contracting rate

$95/hr

- 88% rate their workplace as a good place to work
- 88% have flexible working hours and/or remote access
74% of IT employers in Auckland will be recruiting staff over the next 12 months.

Key reasons employers are hiring
1. New projects (34%)
2. Replacement of staff (23%)
3. Increased customer demand (22%)

Type of jobs that employers will recruit
- Contract jobs: 29%
- Permanent jobs: 71%

Biggest business challenge for IT employers
Attracting and retaining staff is the primary business challenge for Auckland IT employers. Finding funding and budget constraints come in at number two and growing market share rounds up the top three business challenges in the city of sails.

The upside for employers who offer remote working
45% of Auckland IT employers offer remote working.

44% of IT employers in Auckland say that 'retaining IT staff' is their primary reason to offer remote working benefits. The second most popular reason is to cut overhead costs (15%) and 'attracting and retaining staff across New Zealand' (14%) is the third most popular reason.
Work/life balance

38% of Auckland techs rate their work/life balance as above average, 55% rate it as average and only 7% rate it as below average.

Flexible working hours, career development opportunities and remote working rate as the top non-financial benefits for techs here.