



Q2 OVERALL TECHNOLOGY MARKET REPORT 2024

OVERVIEW

As recruiters, we are very much at the coal face, by that I mean we are the first to feel it, whether it be good news or not. We speak to candidates who have just been invited to a consultation with HR or who have received the email from the CEO informing them that a number of people have exited the business and there is now a hiring freeze.

The flip side of this is we are also generally first to hear about project sign off or hiring goals. In Q2 we finally experienced some positive sentiment in the market across all our specialist sectors.

The effect of 14 interest rate rises, high inflation and geopolitical challenges made 2023 a year that left many of us close to burn out and in need of a well-deserved break. GDP slowed down significantly in our economy and the technology sector experienced several large layoffs across a variety of industries that didn't always make the headlines.

The good news is client feedback across all of our markets offers a largely positive outlook for 2024 with a belief that we have gone through the worst. At Precision Sourcing we experienced a 12% increase in vacancies in Q2 when compared to the previous quarter. Although positive, when compared to Q2 of the previous FY vacancies were still considerably down at 21%.

Unemployment crept up in Q2 close to 4% which makes sense with over 450,000 immigrants joining us in 2023 but this is still significantly lower than Australian averages and any business hiring right now will still need to impress and have a compelling offer if they are to attract high caliber talent.

Yes, the time of crazy counter offers, and multiple job offers is over but talented people still have choice and they expect as a minimum from potential employers:

- 1)Autonomy
- 2)Development
- 3)Purpose

When you marry this next to paying a fair wicket and hybrid WFH demands then employers still have a lot of work to do when it comes to demonstrating that they have a culture and story that matches people's expectations.

2024 will be an interesting one as employers wrestle with a work force still largely pining for the good old days of 2020/21/22 when flexibility was largely available for the masses and a current need to focus on efficiency, cost cutting and productivity that isn't always perceived favorably with WFH.

OVERVIEW CONTINUED

WHAT SHOULD EMPLOYERS BE DOING?

If you are hiring contract resources aim to offer longer contracts (12 months+) and in doing so you can potentially secure talent at a slightly discounted rate. We are seeing candidates willing to slightly reduce their daily rates for the security of long contracts.

If you are hiring permanent resources, then it is imperative that you have a recruitment process that is efficient and impresses. Time to hire has slowed down significantly this FY as employers wrestle with sign off and nervousness around hiring. This can give a very negative perception of a business and if you are going to hire, then commit and do it with conviction.

WHAT SHOULD CANDIDATES BE DOING?

January and February are a great time to get in front of recruitment experts and understand what the market is doing and discuss your personal career / situation. With recruiters largely back in the office a minimum of three days a week now you will find a willing audience happy to offer you a coffee and 30 minutes insight that could land you that dream job or help you decide if you are better off staying exactly where you are.

MARKET INSIGHTS

SAP MARKET INSIGHT

Rates have come down 11% when compared to the same quarter last year and we have seen a significant shift back to contractors. SuccessFactors and S/4 Project Managers were mostly in demand and sentiment within the SAP sector is as positive as we've ever known it with a significant amount of focus on the shift to S/4 expected this year.

[You can read the full SAP market overview here.](#)

SOFTWARE ENGINEERING & CLOUD

In the software engineering space, we experienced a 20% increase in vacancies compared to the previous quarter with .Net and Azure being the skill sets most in demand. Permanent salaries decreased by 2% and we experienced a 12% decline in contractor rates.

[You can read the full software engineering & cloud market report here.](#)

PROJECT SERVICES MARKET INSIGHT

Q2 has seen a marginal improvement in market conditions for Project Services professionals. Whilst the change hasn't been significant, we have observed an uplift in demand across most areas. Business Analysis, which for some time has been the most buoyant part of the project services space, remains so, with Project Management, Change Management and Agile Coach / Scrum Master roles following.

[You can read the full Project Services market overview here.](#)

DATA MARKET

In the data market we experienced a slight uplift in vacancies and December was particularly buoyant with clients largely positive about Q3 and the 2024 outlook. Contractor rates decreased by 12% and permanent salaries experienced a 2% decrease.

Roles largely in demand were data engineers and Python was the skill most required closely followed by AWS/Azure.

[You can read the full Data market overview here.](#)