

SEPTEMBER 2015

Sourced Report

Welcome to the fourth Sourced Report – your insight into the Christchurch IT sector.

These six-monthly reports provide Canterbury employers with an insight into the emerging trends in the Canterbury IT market.

The Sourced Report has now been providing insights into the Christchurch IT sector for two years.

The data we have collected over this time period allows us to provide Canterbury technology professionals with the most up to date trends and changes that are occurring in your local market.

PERCENTAGE OF EMPLOYEES WHO HAVE MOVED JOBS



Job Movement is Increasing

30% of Christchurch technology professionals have moved jobs in the past half-year. This figure is significantly more than the previous period through to March, increasing by 9%.

This indicates that employees are increasingly prepared to look externally for new challenges and opportunities if these are not available with their current employer.

Employer Hiring Intentions Are Positive

Recruitment has continued to be strong, with nearly 25% of employers having recruited for 5 or more IT roles in the past 6 months. In addition, half of those who had recruited for 5 or more IT roles had recruited for more than 10.

Employers are primarily recruiting to replace outgoing staff and to support new projects. 28% of employers identified new technology as a key reason for recruitment, a 21% increase compared with March. This demonstrates the value of

attracting new employees that already have expertise in the latest technologies. As challenges and career opportunities continue to be amongst the most desirable traits that technology professionals look for in a job, this increase in job movement is expected to continue.

25% of employers having recruited for **5 or more IT roles** in the past **6 months.**

TOP 5 REASONS FOR HIRING



REPLACEMENT OF STAFF



NEW WORK AND PROJECTS



INCREASED DEMAND FROM CUSTOMERS



TECHNOLOGY UPGRADES

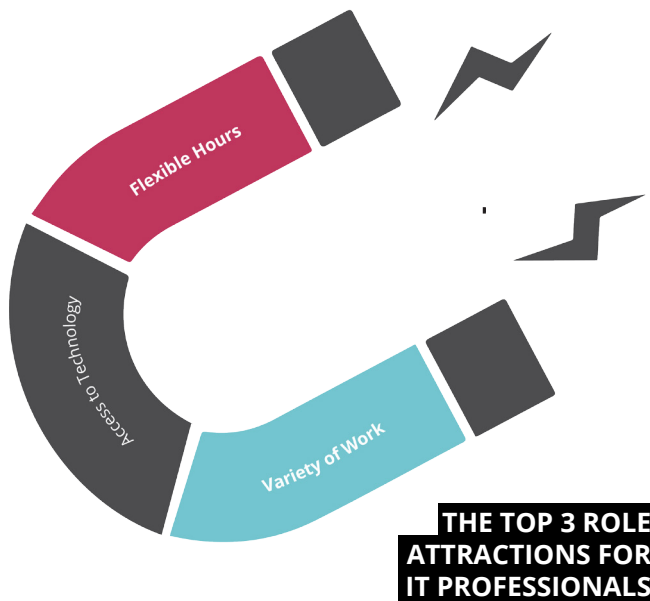


INCREASED DEMAND FOR IT WITHIN THE ORGANISATION

Employee Motivators are Changing

The key point emerging from this data is that financial incentives have become slightly less important as a contributor to work place satisfaction (down by 7% compared with March). Instead, the things employees enjoy most about their current role are more intrinsic,

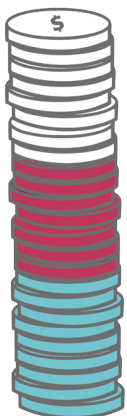
life-focused motivators such as flexible hours and having a broad variety of work. In addition to the above factors it is also clear that IT professionals highly value having the opportunity to work with latest and most interesting technologies.



It is however still vital for employers to ensure that salary bands are in-line with market expectations. This is because 61% of IT professionals identified that pay is the key factor when evaluating whether to stay in their current role,

and despite this, 41% stated that they believe their current salary is below market value.

This number of financially unsettled employees has increased 6% on the results from just 6 months ago.



PAY IS A KEY FACTOR FOR 61% OF IT PROFESSIONALS

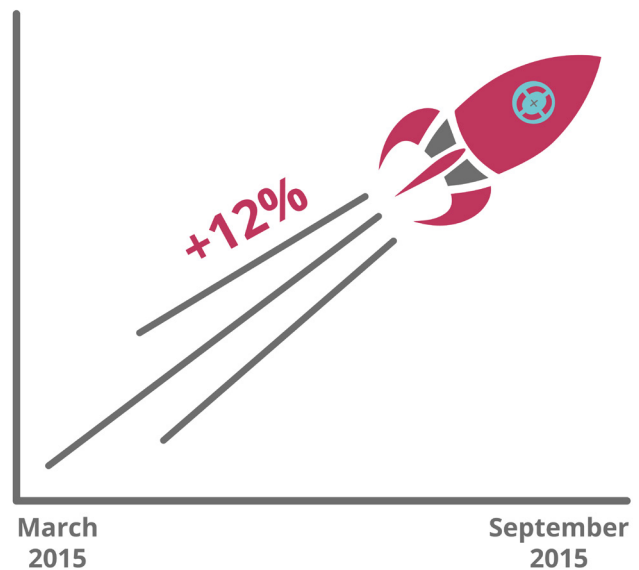
41% FEEL THAT THEY ARE UNDERPAID

Contracting is Taking Off

The number of contractors working in Christchurch has increased over the past 6 months. Contractors now make up 28% of the workforce, with our research revealing a 12% increase in contractor numbers over the past 6 months. This increase can be attributed to several key factors; the first of which is technology professionals actively seeking out great work variety and flexibility in order to get greater levels of work satisfaction.

Contracting carries obvious risks, but in the current buoyant employment market this is negated by the associated benefits, which include greater project variety, work flexibility and better pay. As an employer it is crucial to actively address the core motivators of technology professionals to avoid this trend negatively affecting your workplace, by offering your employees the challenges and opportunities they desire.

PERCENTAGE OF THE WORKFORCE THAT ARE CONTRACTORS



Source of Hire

The main sources of hire for both employees and employers remain consistent, with recruitment agencies having helped 80% of employers fill vacancies over the past six months, more than double the two next high-

est sources of hire combined. The only significant change has been the number of employees receiving promotions, which is down 5.5% on this time last year.

Technology Crucial to Christchurch

It is great to see that everyone in the Christchurch technology sector sees a vibrant and thriving IT industry as a crucial part of the Christchurch rebuild.

Generally, responses indicated that if the IT sector in Christchurch diminished, it would have a significant impact on the continued economic growth of

the region. This is largely due to how the IT sector supports other industries such as construction and engineering, but also because Christchurch has the opportunity to lead the way by showcasing new technology through rebuild specific initiatives.

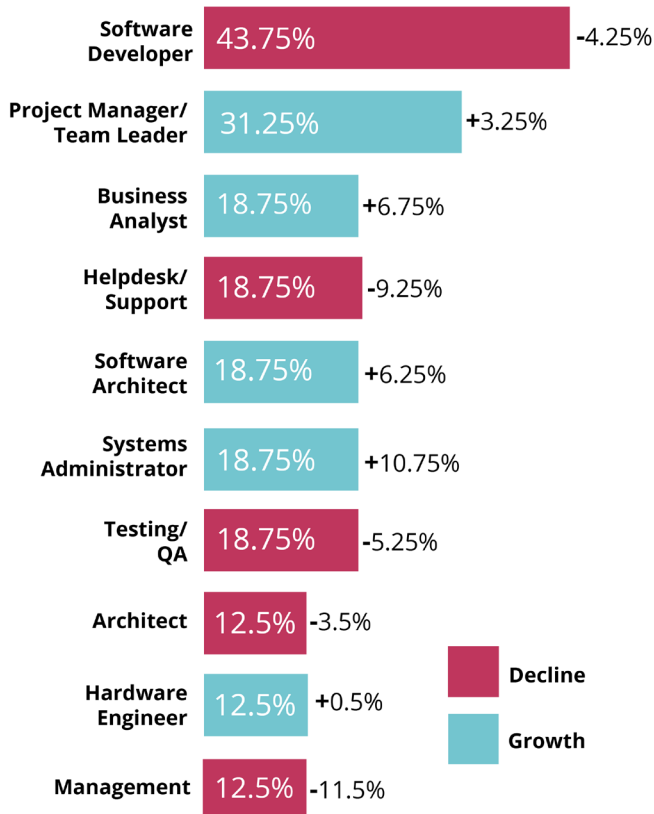
Upcoming Roles

The IT sector appears positive for the next six months, with most employers planning to actively recruit. Demand is highest for experienced Software Developers, but there is also a demand for Project Managers

that have worked on software projects, as employers look to hire candidates with discrete skills for specialist applications.



EMPLOYER HIRING TRENDS



Opinion

Though the importance of the technology sector to Christchurch was recognised, IT professionals also had opinions and suggestions on what measures could be taken to make Christchurch an even better

environment for new tech companies to flourish. It was consistently stated that better loan deals for start ups and increased government funding would help achieve this. Other suggestions included:

Encourage partnerships between companies to accelerate growth and innovation.

Create an online library of information, a wiki of sorts, where others can access examples of successful processes for reference.

Technology SMEs would benefit from expert assistance to gain greater visibility.

Provide greater access to leaders in local IT businesses, so others can learn about what they offer in terms of services and opportunities.

Develop stronger links between technology educators and small companies that could benefit from internships.

The government need to support the technology sector with more tax benefits to create a start up village.

Many thanks to everyone who took the time to complete the Sourced Report.