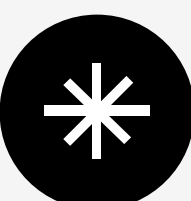


Tech Hiring Trends Report

NORTH AMERICA AND EUROPE EDITION

2024



The **HR and tech executive report** on the IT hiring market

Remote work

Trends

Skills

Roles

Company Culture

IT Recruitment

IT Staffing

AI & Automation

Workforce Dynamics



Foreward

Tech Hiring is one of the most dynamic and crucial operation in companies.

The rising importance of IT experts over the last few years has resulted in a shortage of workers to meet market demand. Employers now face difficulties in finding and hiring IT professionals (mostly locally), as well as the increasing cost of these workers due to the competitive market. It's a market transformation where the power has shifted from the employers to the talent.

COVID-19 has made Remote Work a work standard, enabling easier access to foreign talent pools and solving local IT talent scarcity problems.

However, managing a fully remote workforce can be challenging, especially when the workforce is sometimes distributed internationally.

Recently, due to the economic slowdown and rising capital costs, companies found themselves correcting some exaggerations made in hiring and salary policies. As a result, they're increasingly turning to IT Staffing and outsourcing providers to hire external/contingent workers for greater flexibility in managing their IT teams.

The ongoing AI revolution has sparked a debate about whether machines will replace human developers, reducing the need for IT talent and costs.

However, history has shown that after an initial slowdown in demand for talent, the need for skilled professionals actually increases considerably.

Landing.Jobs has been working in the Global IT Recruitment and Staffing market for 10 years and has produced reports like the Global Tech Talent Trends with the IT community to reduce the lack and asymmetry of available market information.

The Tech Hiring Trends report is a new initiative, with data surveyed from the companies' side, that intends to increase the available information to all sides of the market to improve knowledge and decision-making.

This edition is built with data from North American and European companies, containing data on Hiring trends for both IT Recruitment (permanent employees) and Staffing/Outsourcing (external/contingent workers and independent contractors), salaries and perks, tech categories, globalisation of tech work and remote work, and some other bits I believe you'll find helpful.

Contact us with feedback or suggestions at letstalk@landing.jobs.

Join us in building better futures. Join us in the globalisation of tech work.

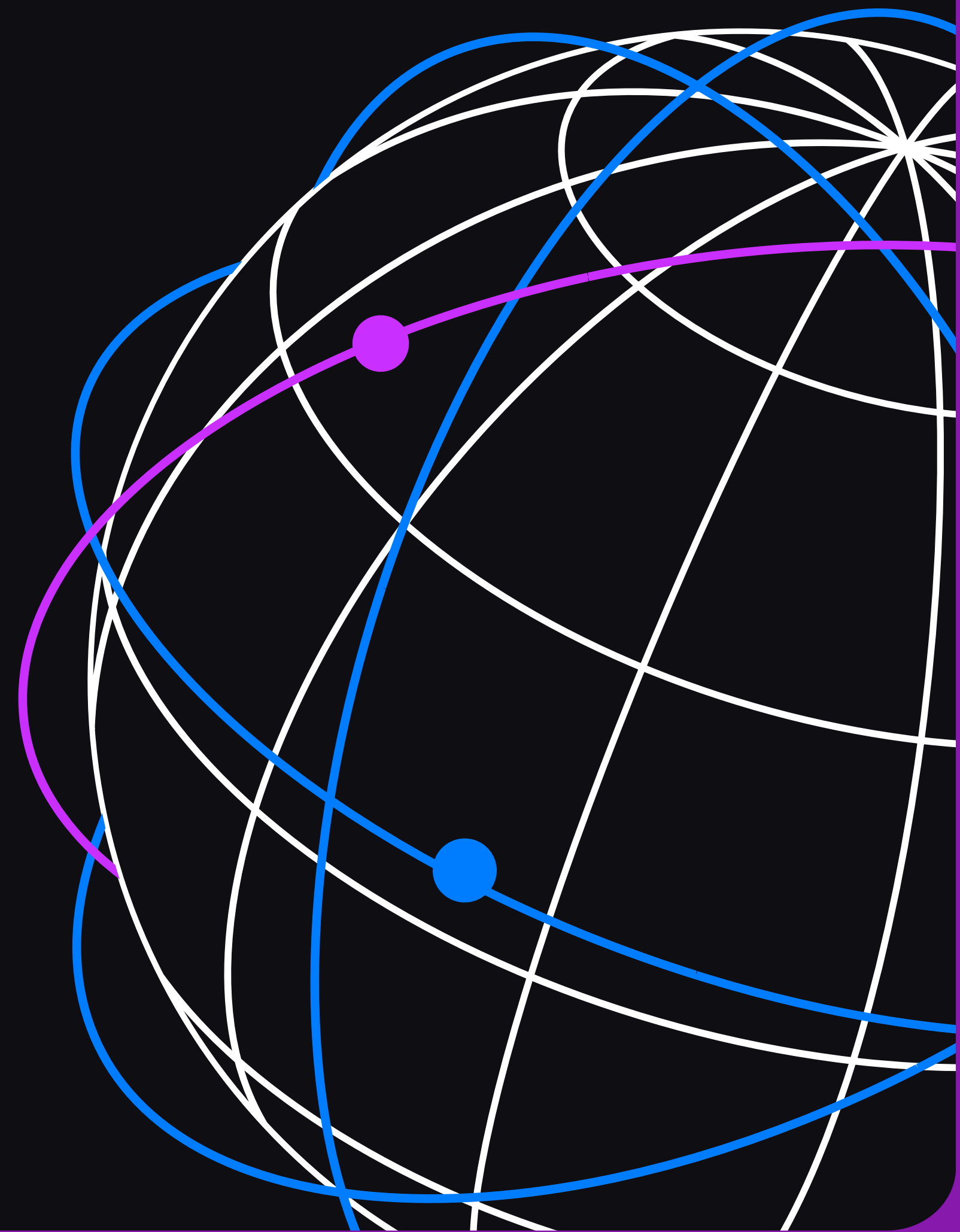
Pedro Moura

Chief Growth Officer @ Landing.Jobs

01 Index

02 Highlights	page 4
03 Globalization of Tech Work	page 6
04 Recruitment	page 13
05 Staffing/Outsourcing	page 28
06 Future Trends	page 39

02 Highlights



Internal/External workers

40%

Only Internal Employees

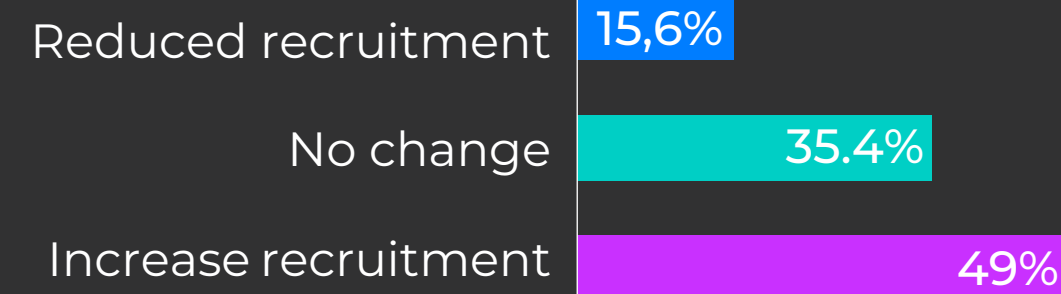
54%

Internal and External Workers

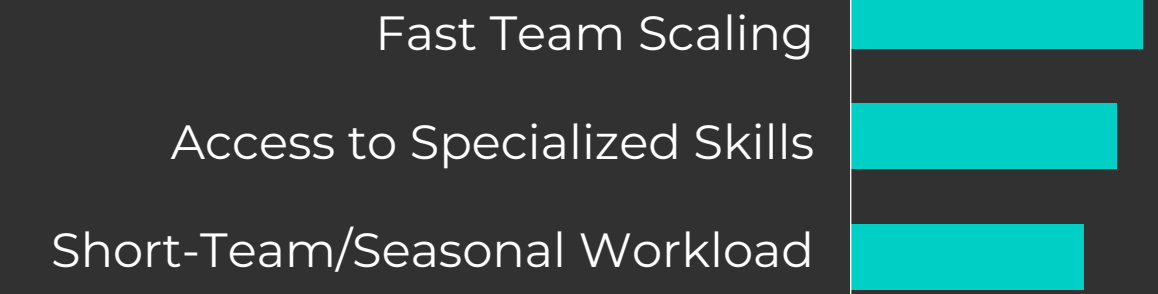
6%

Only External Workers

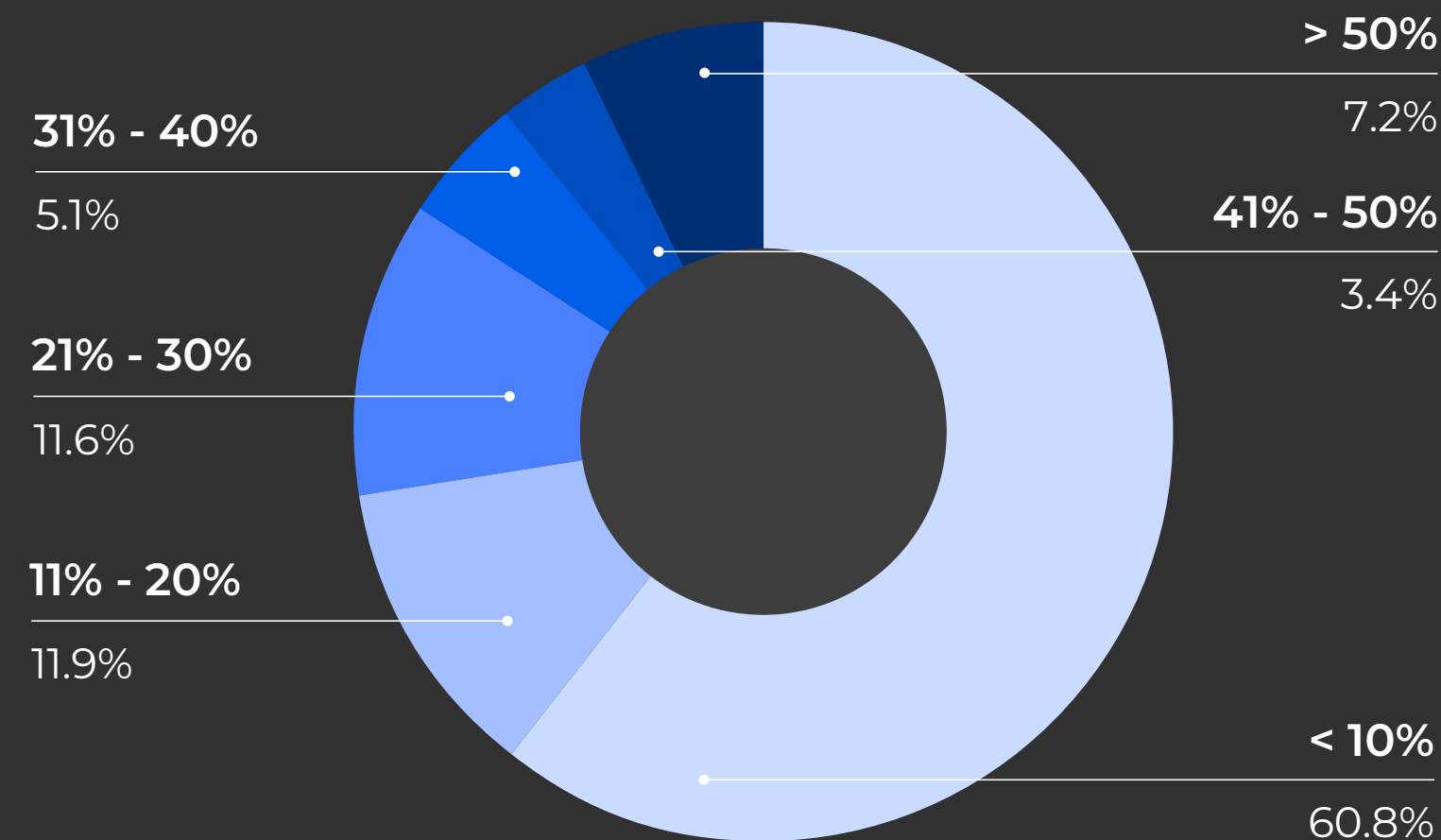
IT Recruitment trend 2024



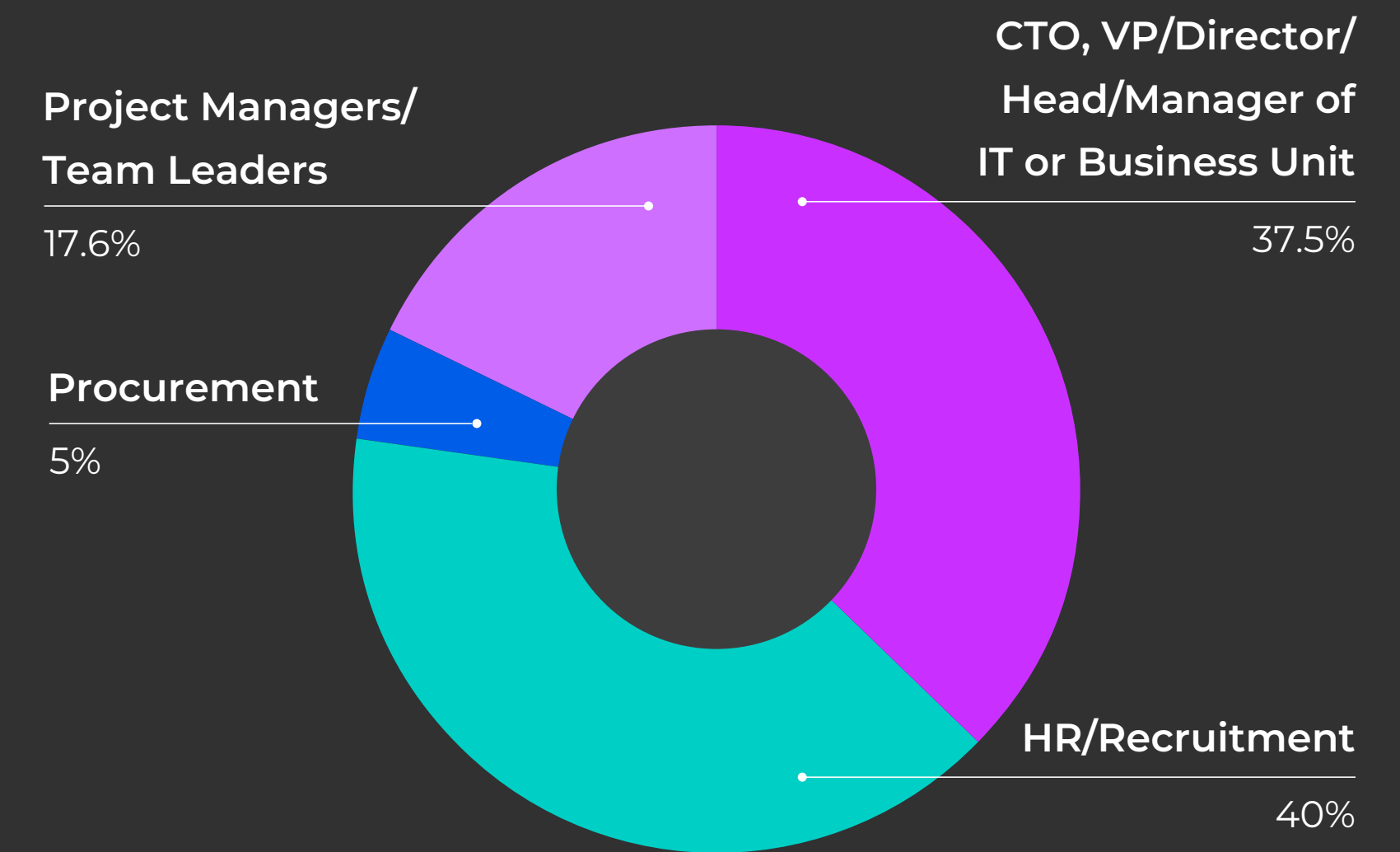
Main reasons for using IT Staffing



What percentage of IT Workers are External/Temporary?



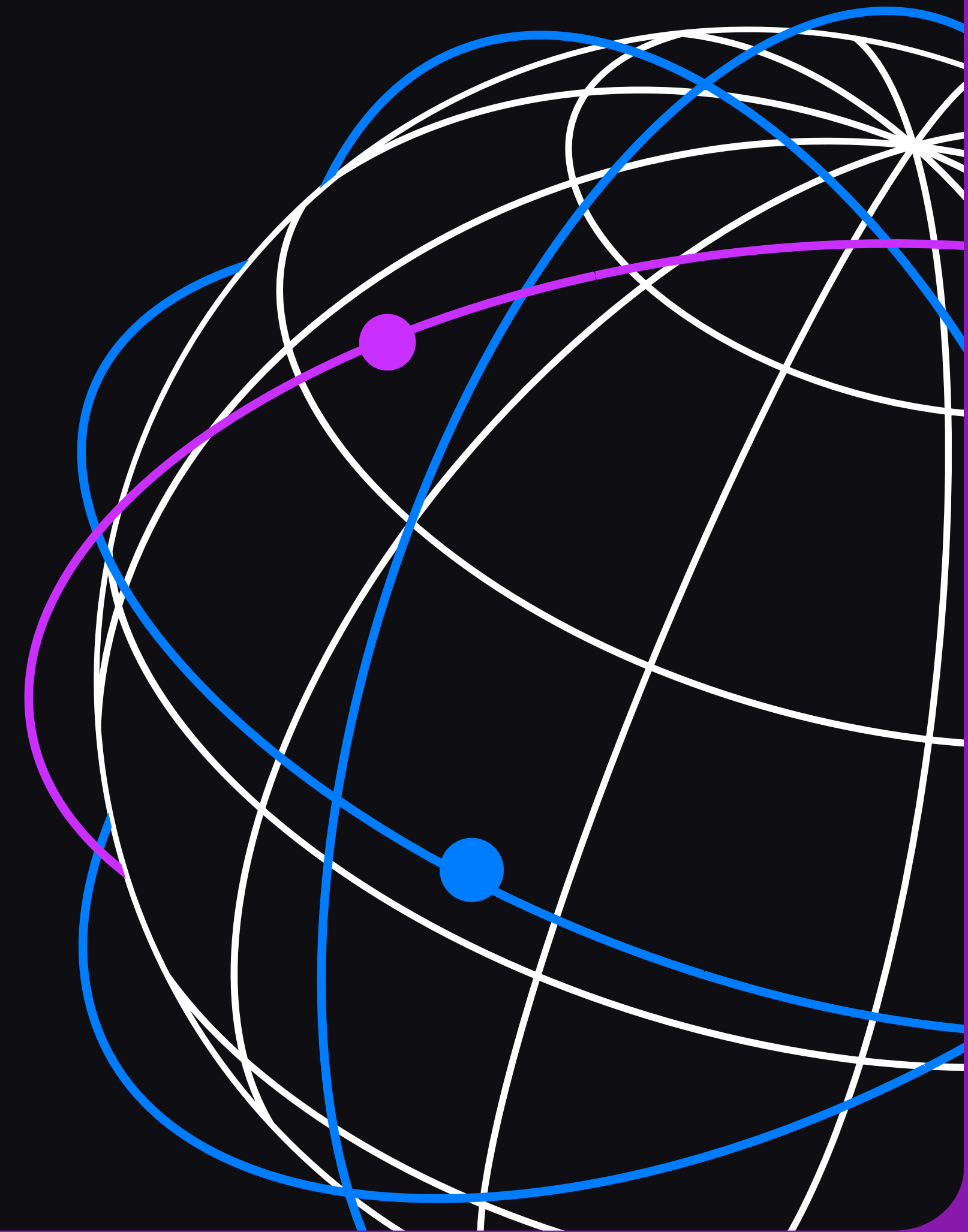
Who manages IT Staffing



03

Globalization of Tech Work

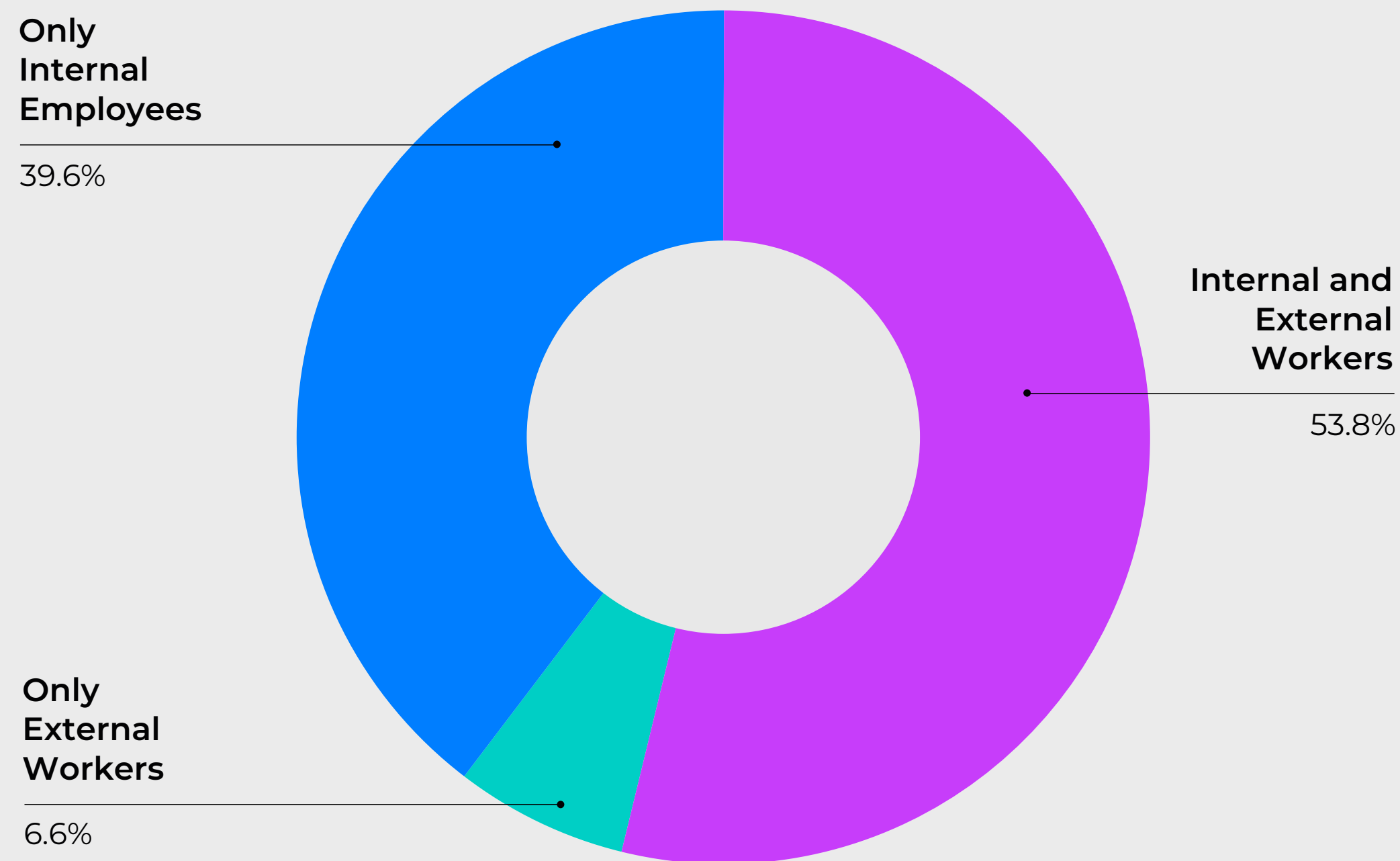
Covering how companies use internal/external and local/abroad workers
as well as Remote Work policies.



IT workers typology

(all workers)

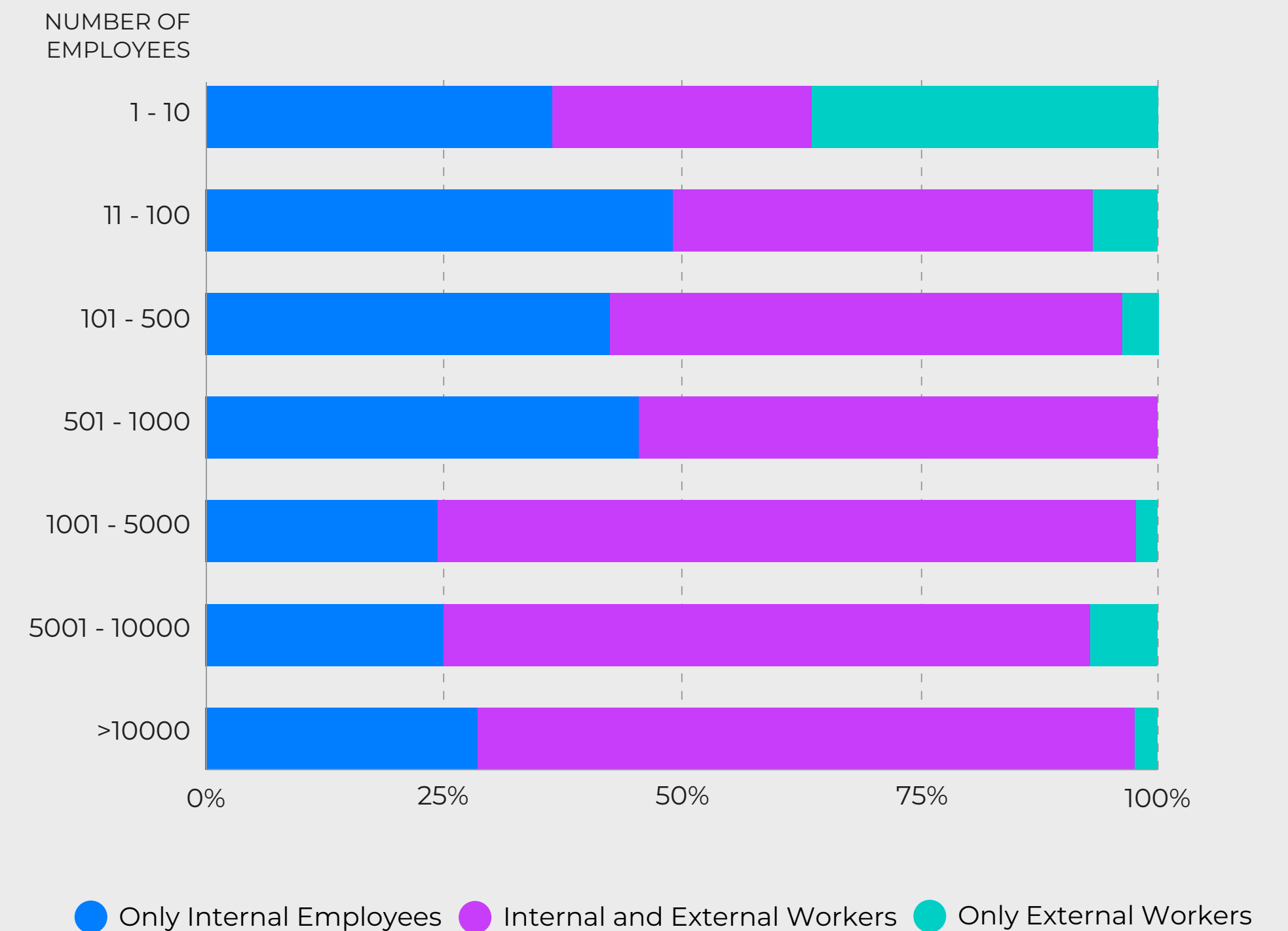
Most companies use both Internal and External workers



BY COMPANY SIZE

Companies over 1.000 employees tend to use Externals more

Micro-size companies (Startups?) seem to use whoever is at hand

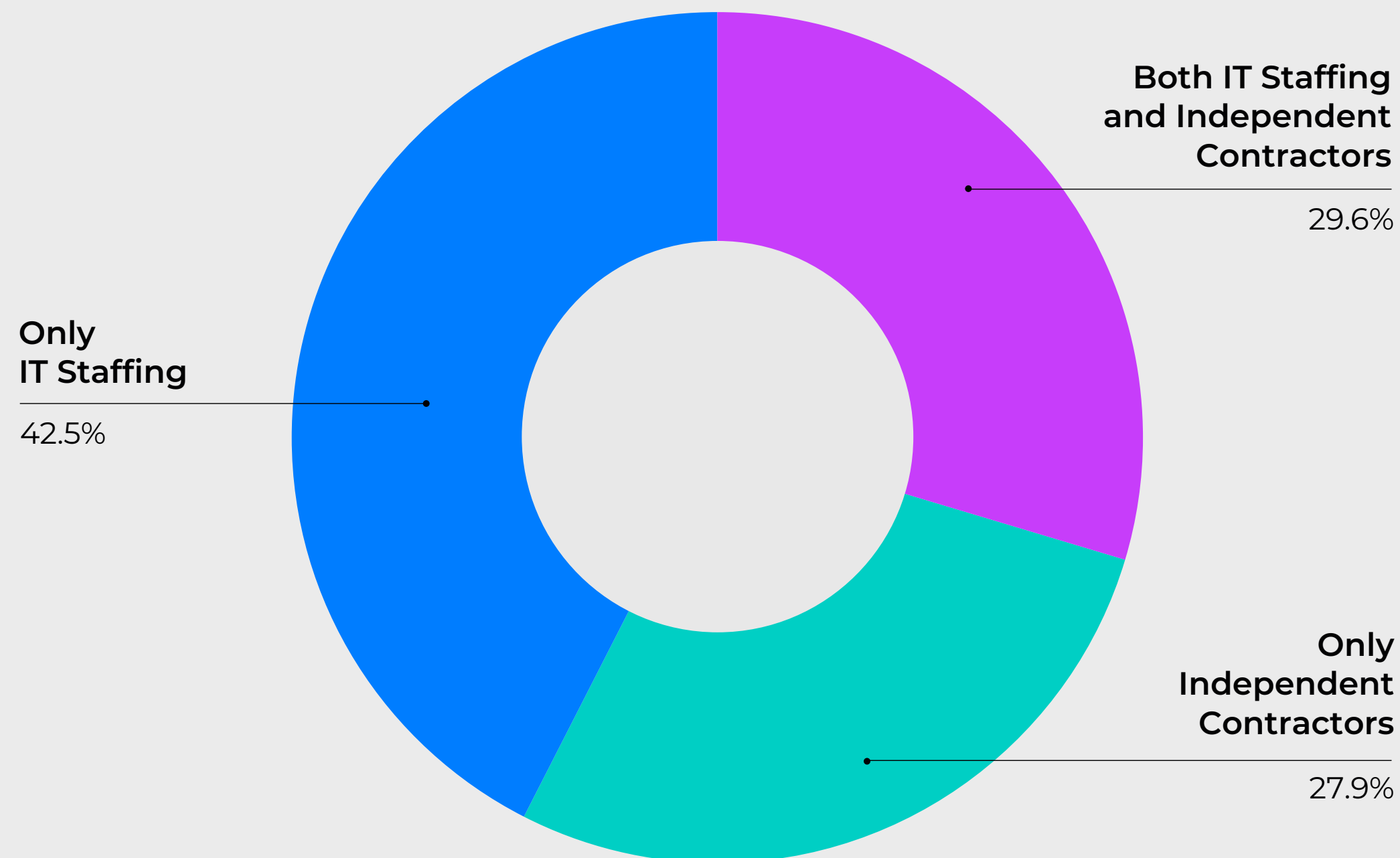


IT workers typology

(external workers only)

Usage of IT Staffing and Independent Contractors seems balanced

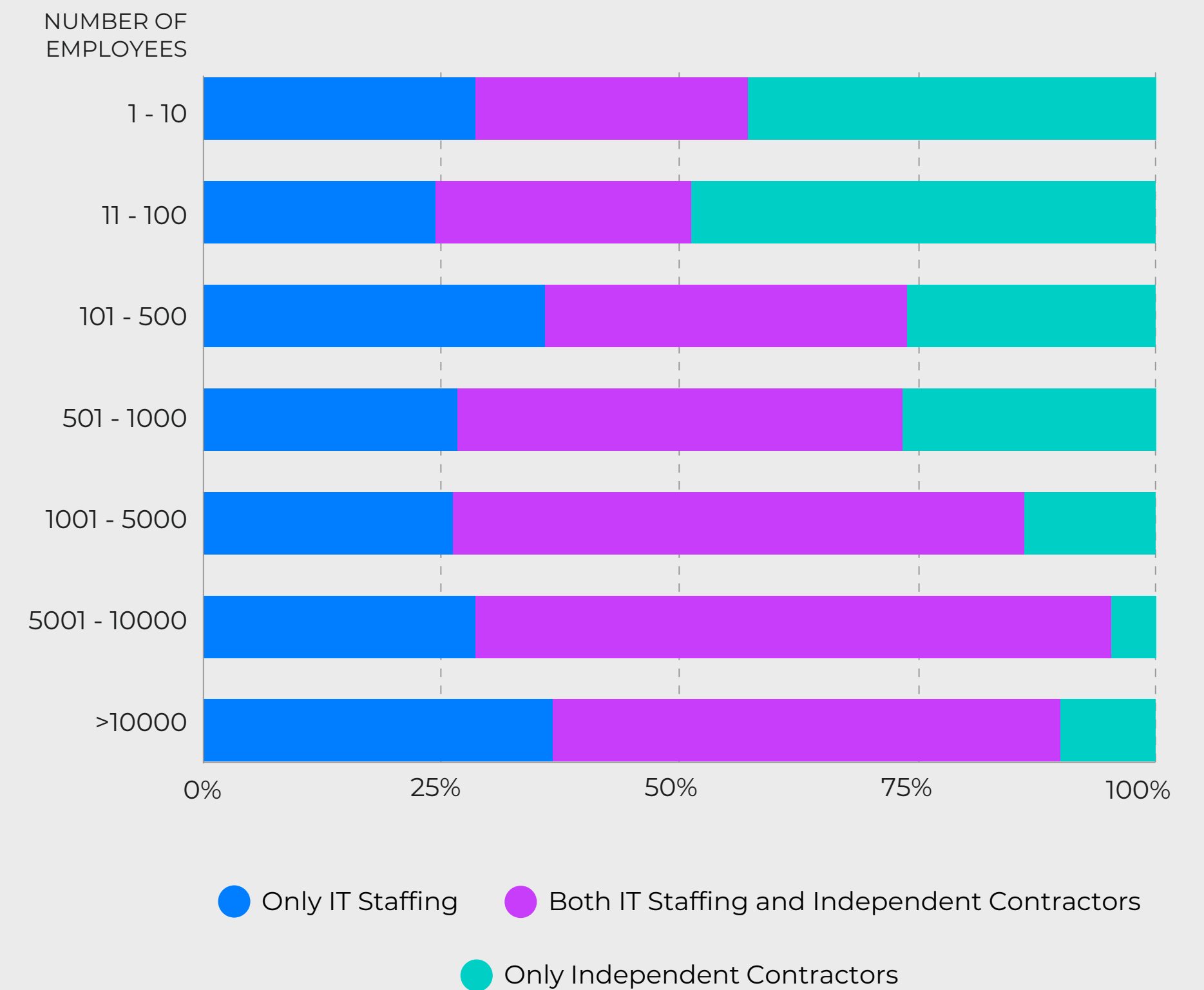
But Independent Contractors are more used in North America (64.7%) than Europe (56.7%)



BY COMPANY SIZE

As companies grow in size they tend to use more IT Staffing (and more exclusively)

Independent Contractors seem very relevant in smaller companies.



Companies with IT Professionals residing outside company country

BY CONTINENT

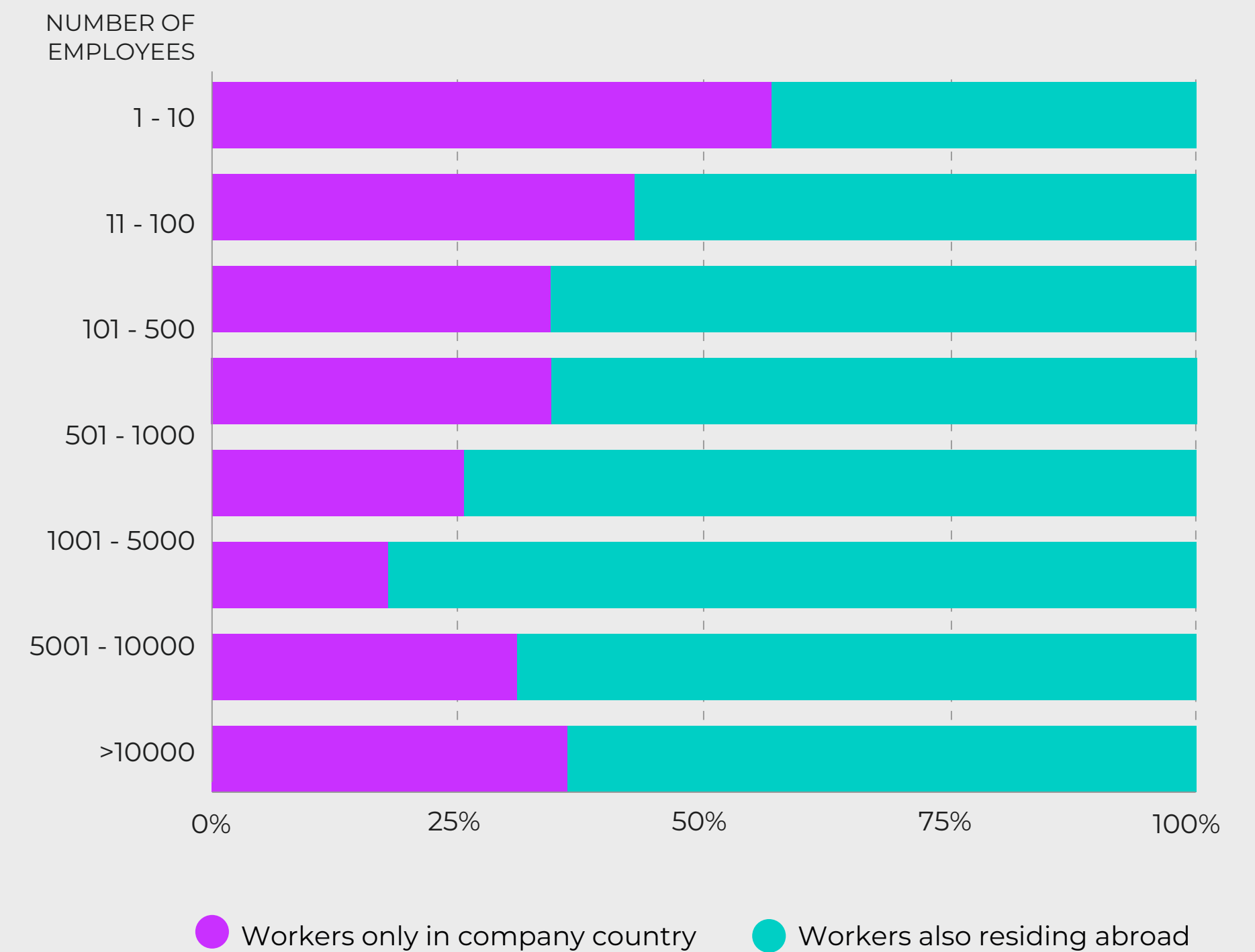
A large majority of companies has IT Professionals residing abroad (63.9%)

North American companies significantly more than European ones (81.5% vs 61.1%)



BY COMPANY SIZE

As a trend, the larger the company the more IT workers abroad.

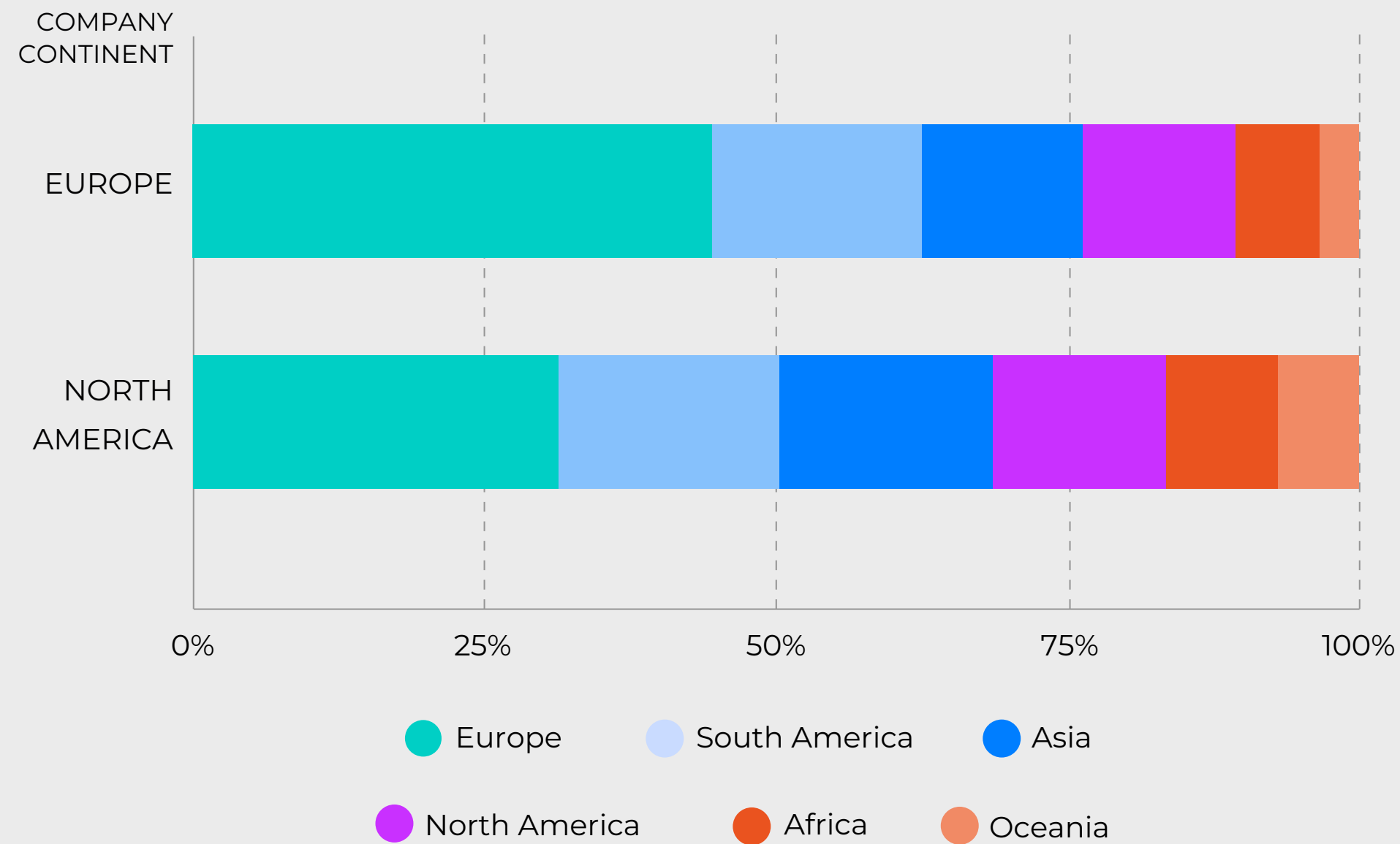


IT team members residing outside company country

BY IT PROFESSIONALS RESIDENCY CONTINENT

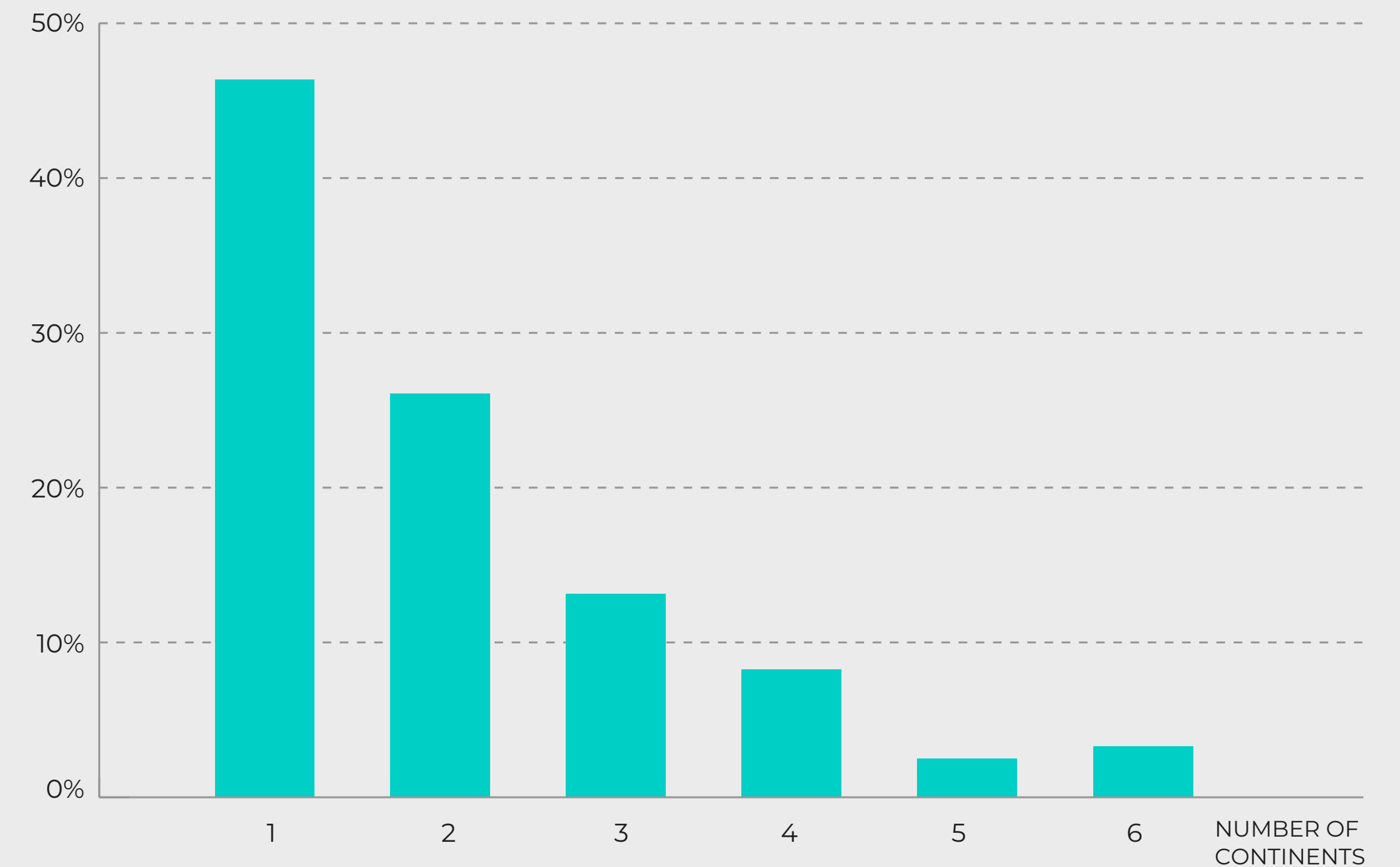
Both European and North American companies have IT professionals abroad mostly in Europe

North American companies have more people in Asia and Oceania.



NUMBER OF DISTINCT IT PROFESSIONALS RESIDENCY CONTINENTS

72.7% of companies have IT professionals abroad in 1 or 2 different continents.



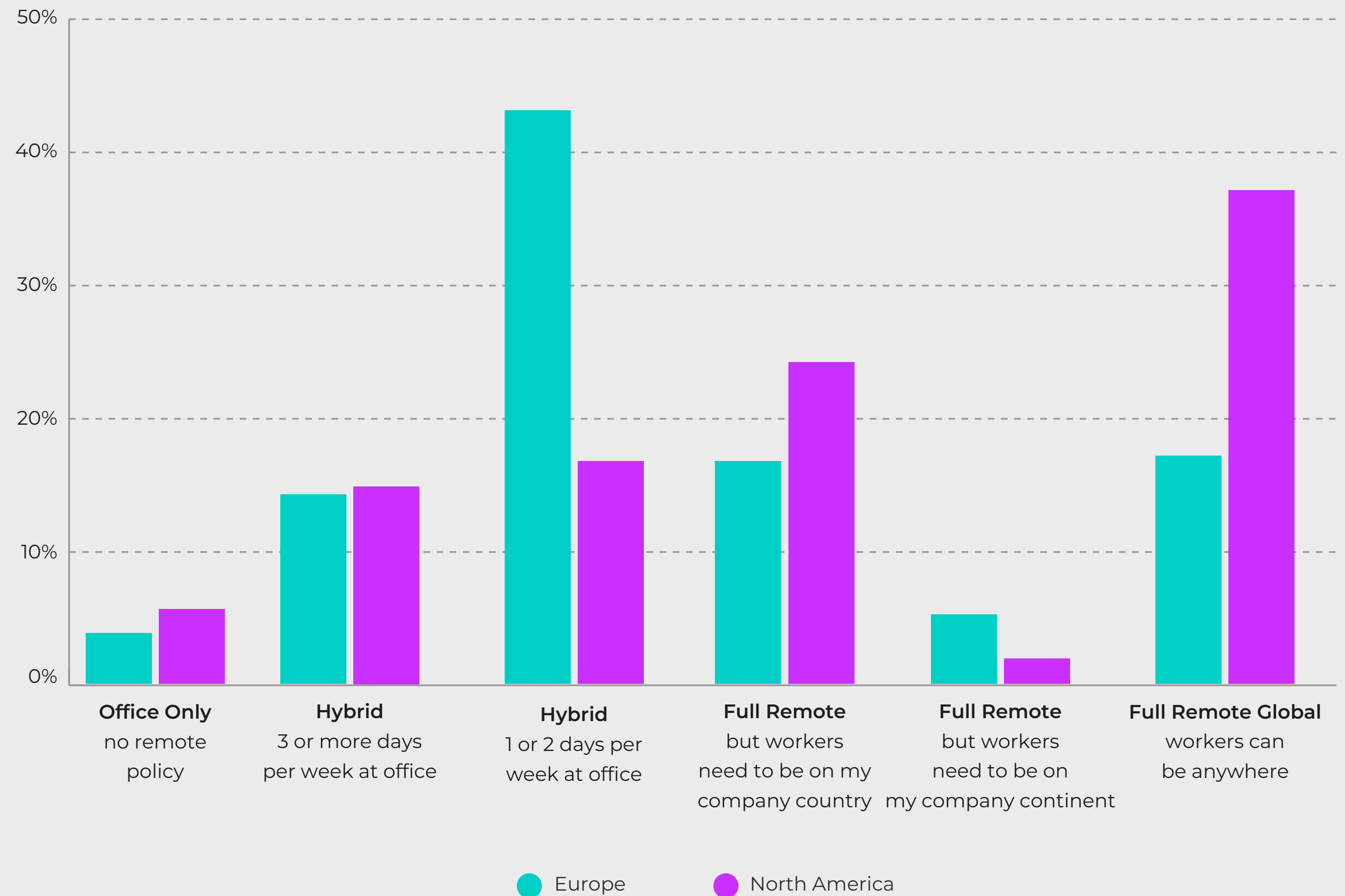
Note: Data only for companies with IT Professionals residing outside company country.

Remote work policy

BY CONTINENT

North American companies are more adept of full remote work, showing a clear cultural difference

- 63% of North American companies practices full remote work, vs only 39% of European.
- Office only work is a rarity nowadays.
- In Europe the most common work mode is Hybrid 1 or 2 days per week.

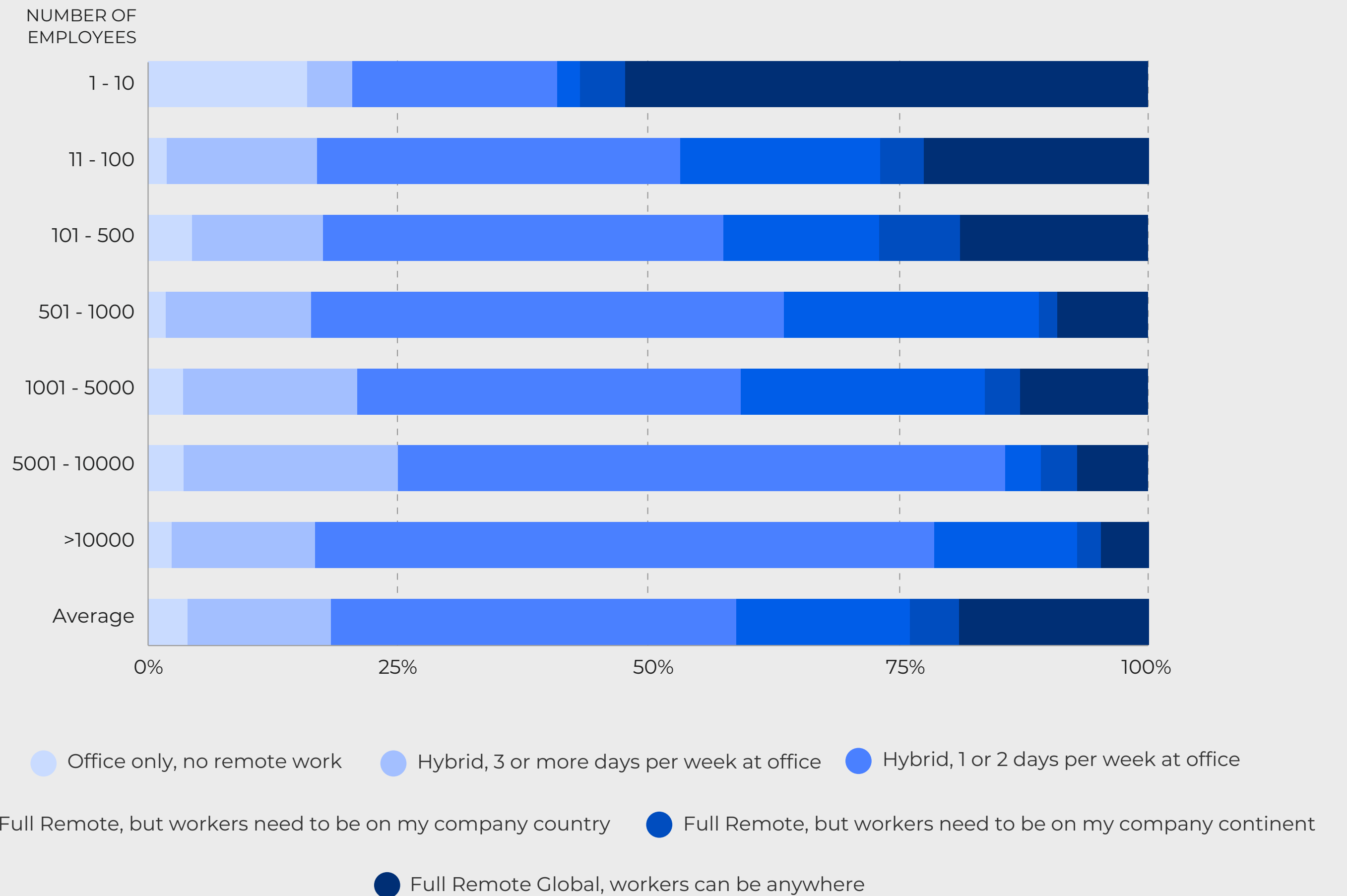


Remote work policy

BY COMPANY SIZE

As a pattern, the larger the company, the less full remote work occurs

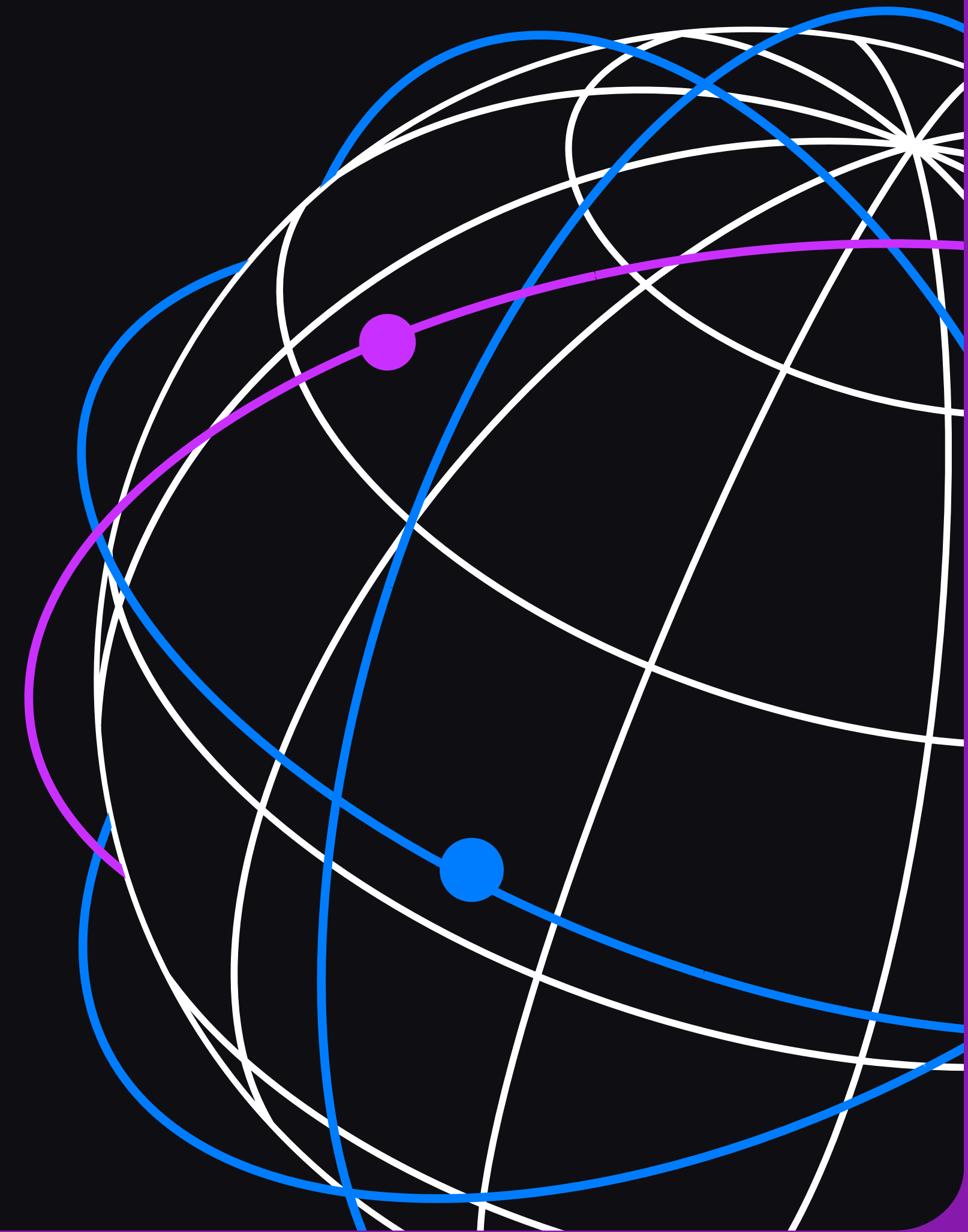
- There's a huge opportunity for larger companies to use broader global talent pools, especially if local talent scarcity increases.
- Even with the ongoing debate on full remote work vs hybrid work, one thing is clear: remote / flexible work is definitely here to stay.



04

Recruitment

of IT Workers for internal/permanent positions, with a direct work relation with the company.

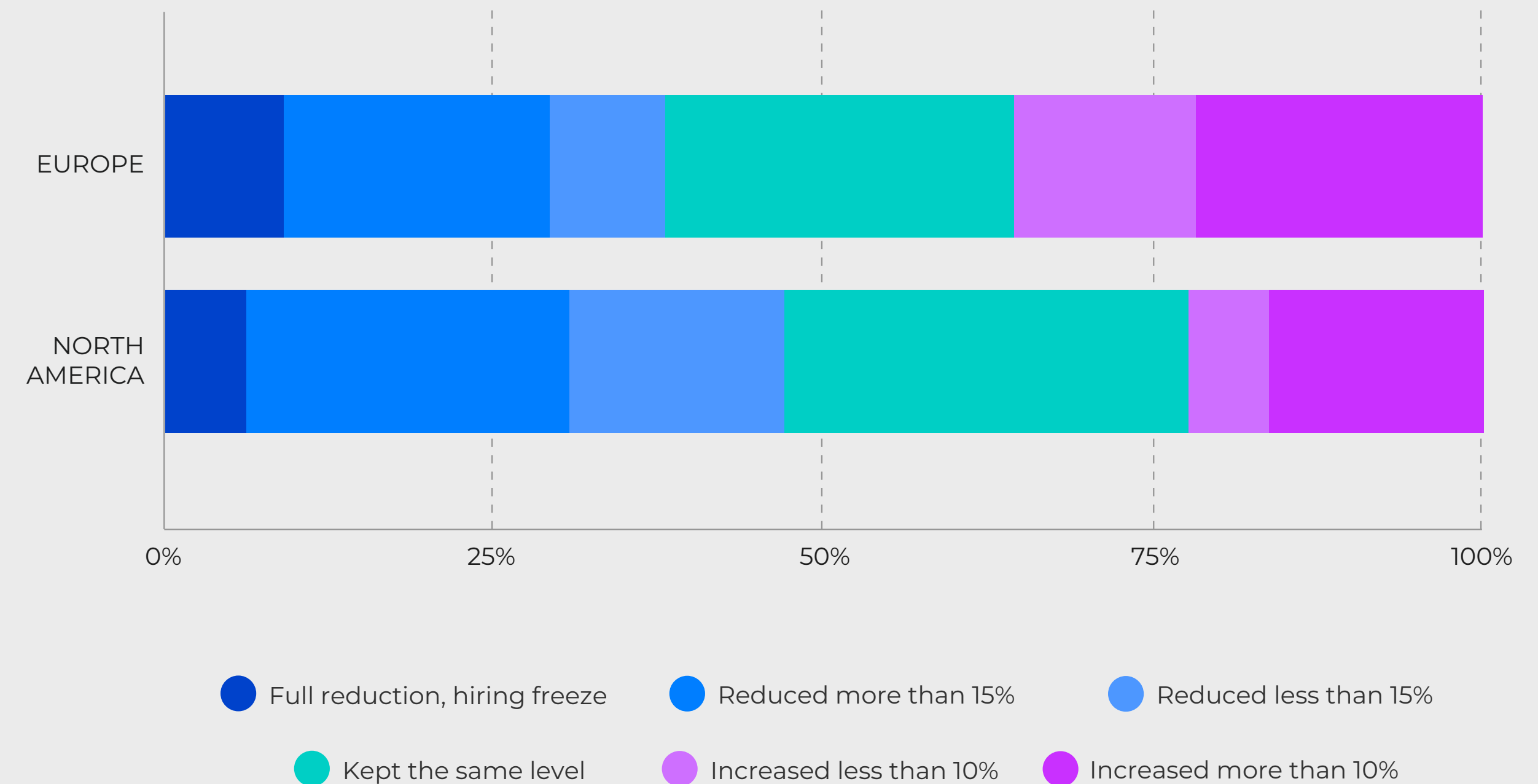


How was IT Recruitment in 2023

BY CONTINENT

As a whole, 38.7% of respondent companies reduced IT Hiring in 2023

- North American companies had a bigger IT Professionals Recruitment reduction (46.9%) than European (37.9%)?
- Most of the big layoffs head of in 2023 were in US companies, not so much in European companies.
- Was this a reflex of a worst departing point, or a more swift reaction to changing market conditions?
- Either way there was clearly a market correction from the 'crazy IT Recruitment year' of 2022, where the rule of the land in some cases seemed to be 'you just gotta hire them all' (not matter the cost).



How was IT Recruitment in 2023

BY COMPANY SIZE

The IT Recruitment trend in 2023 does not have a clear pattern across different company sizes

- Companies between 501 and 1000 workers and 1001 and 5000 workers were the ones with the biggest reduction (44.2% and 42%, respectively).
- Companies between 1001 and 5000 workers were the ones with the smallest 'no change' value (17.3%), indicating this was the segment where more Recruitment 'activity' happened, both in regards to Reducing and Increasing IT Recruitment.

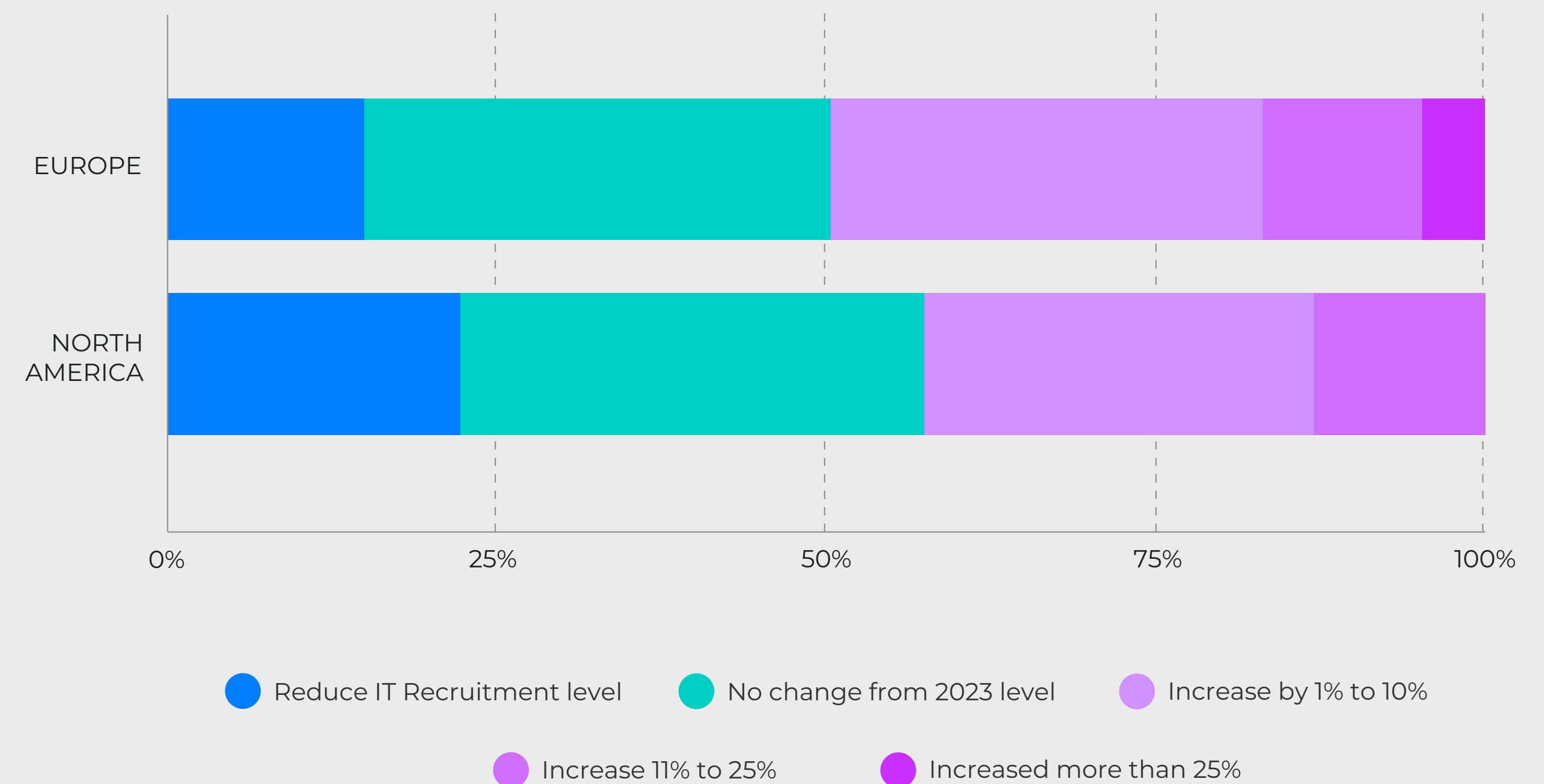


How will IT Recruitment be in 2024

BY CONTINENT

Half (49%) of companies indicate their IT Recruitment will increase in 2024

- This increase is expected to happen more in European (50%) than North American (43%) companies.
- IT Recruitment level is expected to decrease more in North America (22%) than in Europe (15%).
- Are North American companies being more cautious in their IT Recruitment policy than their European counterparts?



How will IT Recruitment be in 2024

BY COMPANY SIZE

In average, the smaller the company workforce size the more IT Recruitment is expected to increase

- Accordingly, the larger the number of workers in a company the more probable is for IT Recruitment to reduce in 2024.
- As a whole, 15.6% of companies indicate an IT Recruitment decrease in 2024, which compares favorably to the 38.7% of companies having responded their IT Recruitment in 2023 decreased.
- Will this market improvement really become a reality, or are companies in a 'wishful thinking' mode?

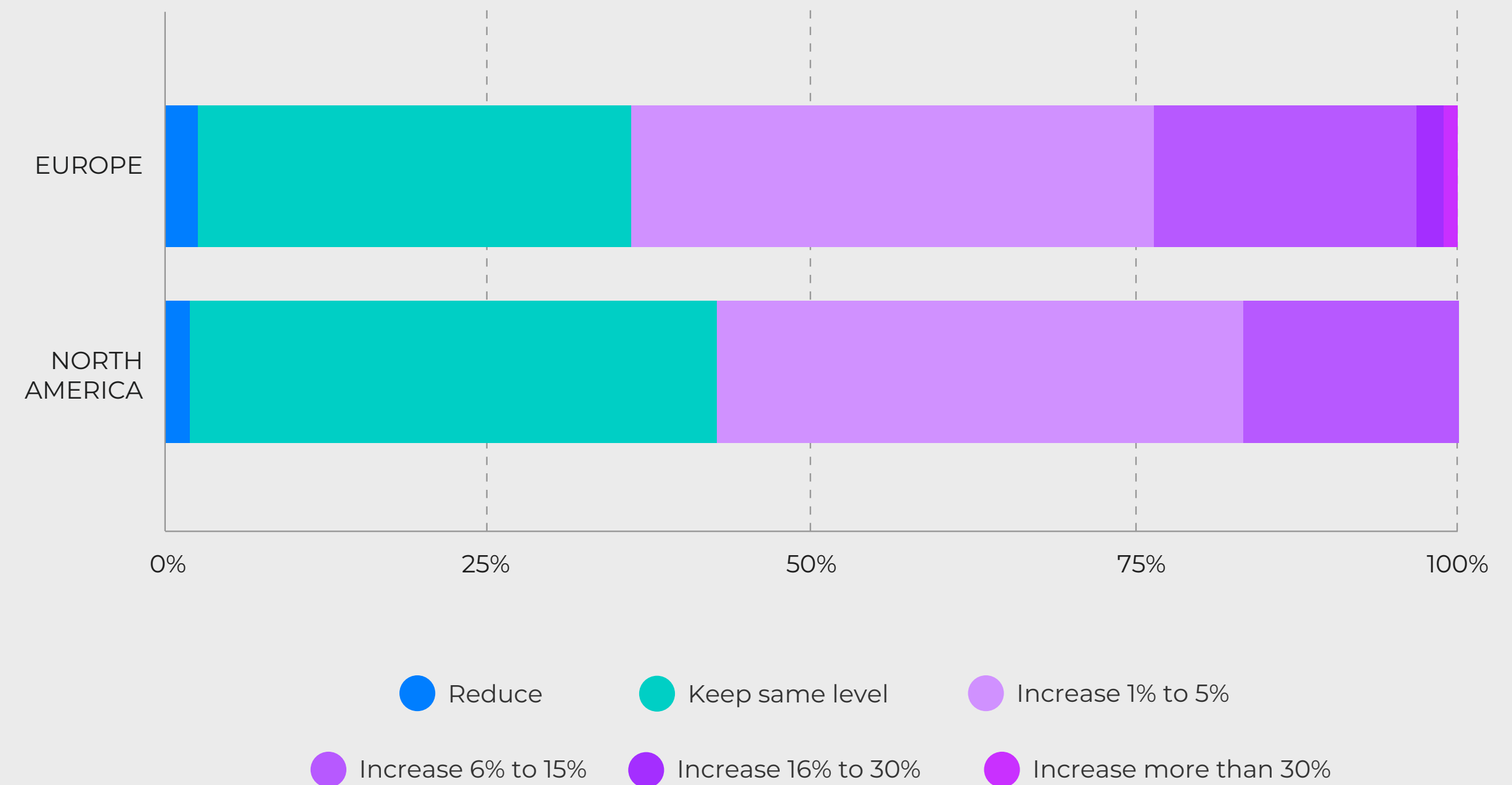


How will IT salaries vary in 2024

BY CONTINENT

Only 2.4% of companies report an expectation that IT Salaries will decrease in 2024

- 64% of European companies predict an increase of IT Salaries across the board, comparing with 57.4% of North American ones.
- But approximately the same percentage of companies in both continents expect salaries to grow between 1% and 5% (40.4% in Europe and 40.7% in North America) being this accordance an interesting outcome

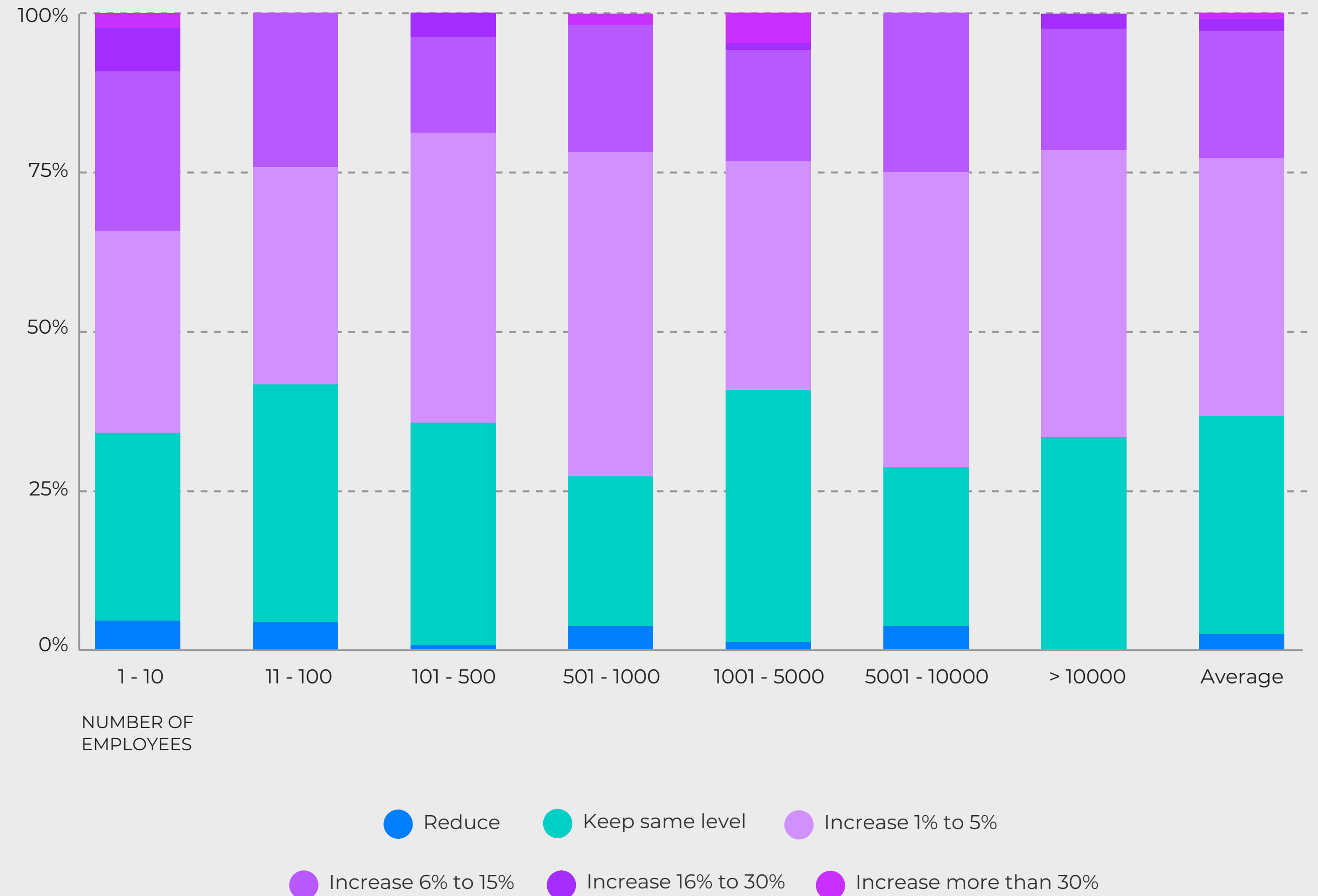


How will IT salaries vary in 2024

BY COMPANY SIZE

There are no significant variations between company sizes when it comes to expected IT Salaries variation in 2024

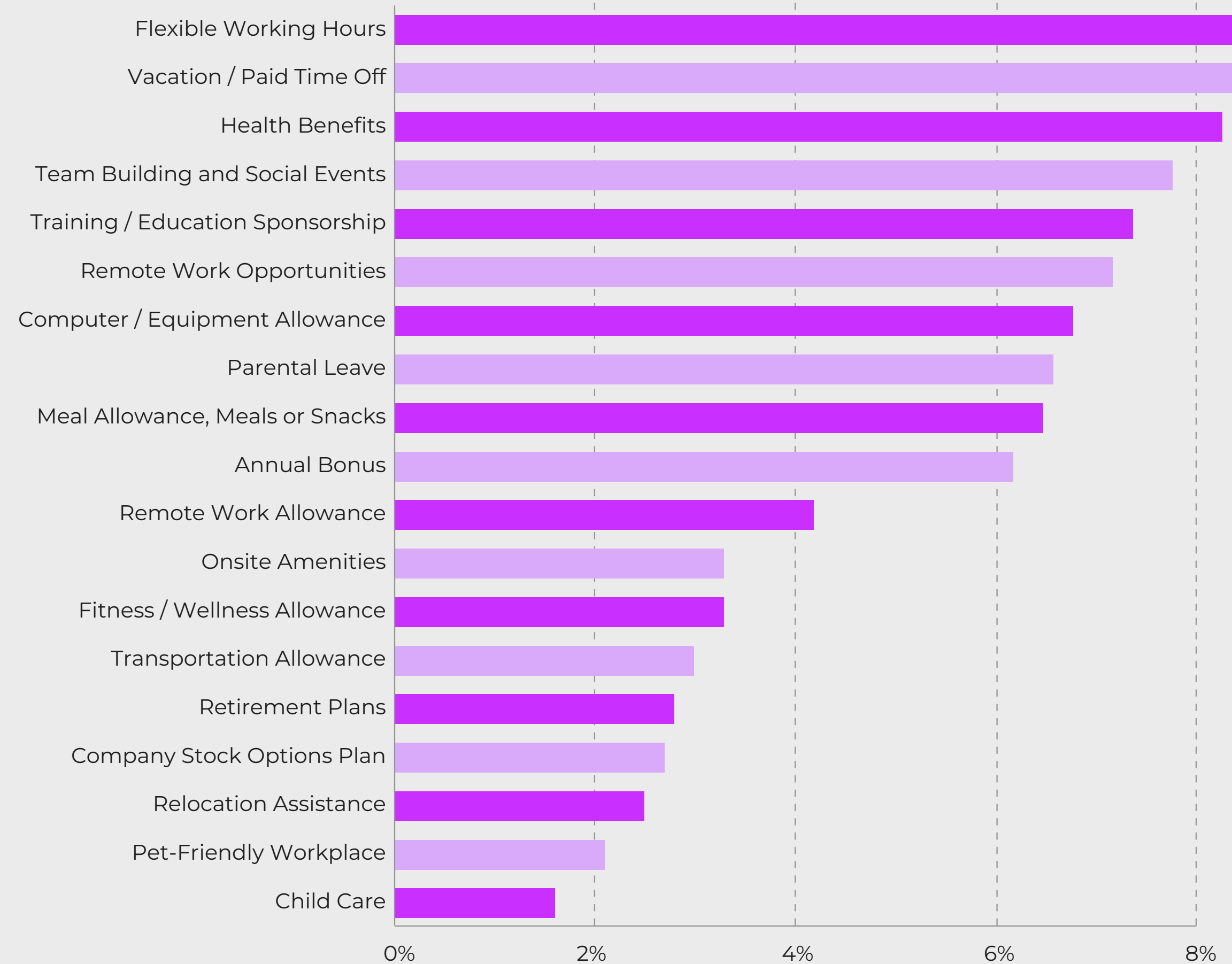
- Companies between 501 to 1000 and 5001 to 10000 are the ones who expected a more substantial IT Salaries increase (72.7% and 71.4% respectively).
- Could this relative homogeneity of perspectives regarding this topic also indicate salary levels to have low variations across company sizes?



Most offered perks

Flexibility seems to be key, much more than Remote in itself.

- Companies between 501 to 1000 and 5001 to 10000 are the ones who expected a more substantial IT Salaries increase (72.7% and 71.4% respectively).
- Could this relative homogeneity of perspectives regarding this topic also indicate salary levels to have low variations across company sizes?



Note: This chart figures are a proportion of the most offered perks by the respondent companies. Each company may have chosen more than one perk.

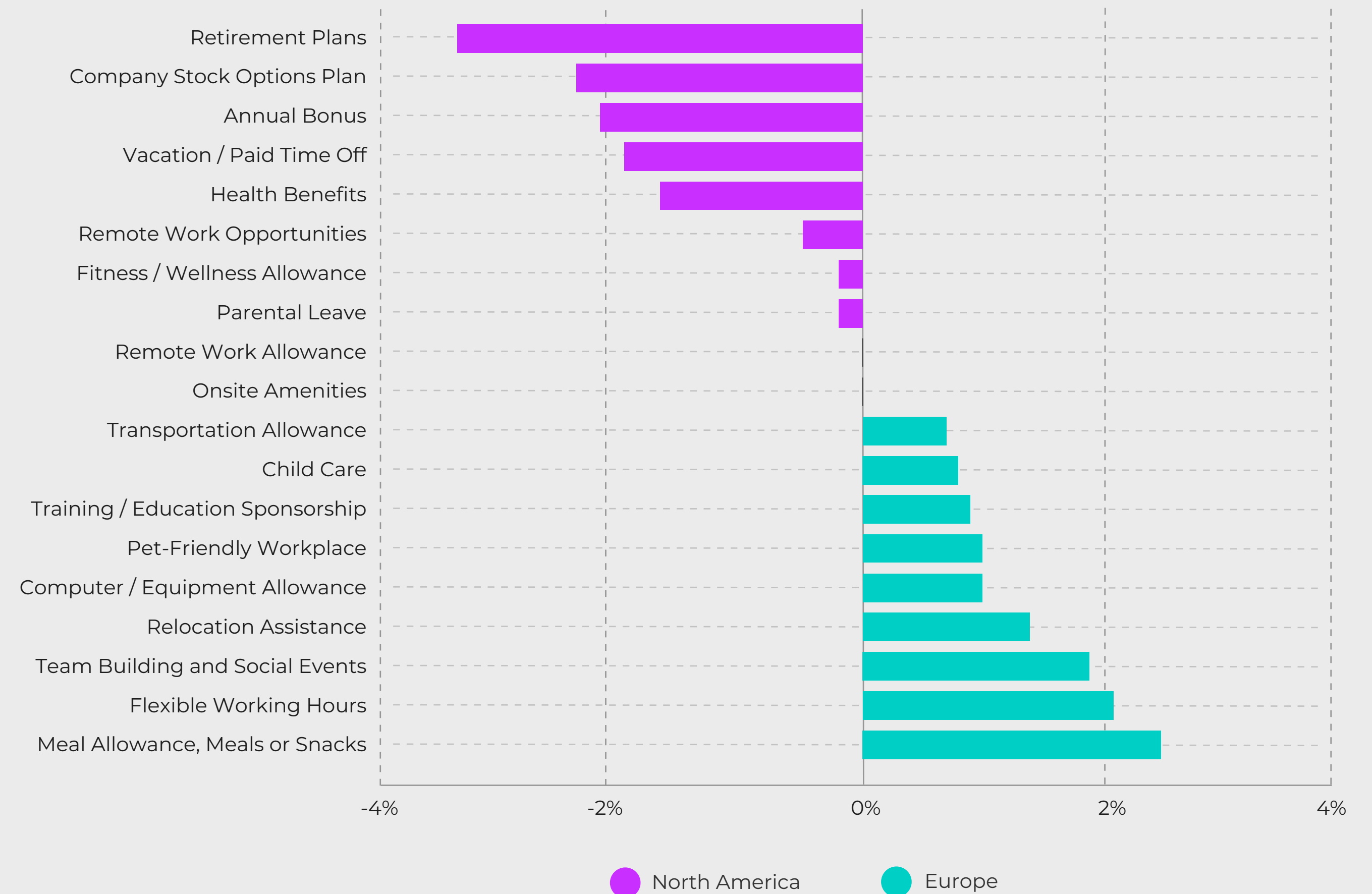
Most offered perks

BY CONTINENT

(variation between Europe and North America)

North American companies are more adept of financial-based perks

- Retirement Plans, Stock Options Plans and Annual Bonus are provided more often in North America than in Europe.
- Meal Allowance, Flexibility and Team building are preferences that European companies privilege way more than their North American counterparts.
- Paid Vacations and Health Benefits are also more provided by North American companies, probably due to differences in the social systems between both continents.



Most offered perks

BY CONTINENT

EUROPE

Flexible Working Hours	9.1%
Vacation/Paid Time Off	8.6%
Health Benefits	8.1%
Team Building and Social Events	8%
Training/Education Sponsorship	7.4%

NORTH AMERICA

Vacation/Paid Time Off	10.5%
Health Benefits	9.8%
Annual Bonus	8.4%
Remote Work Opportunities	7.7%
Flexible Working Hours	7%

BY COMPANY SIZE

Flexibility is more offered by smaller companies, while larger ones rather offer Health Benefits.

1 - 10 EMPLOYEES

Flexible Working Hours	10.4%
Vacation/Paid Time Off	9.3%
Remote Work Opportunities	8.8%
Team Building and Social Events	8.1%
Computer/Equipment Allowance	7.9%

>1000 EMPLOYEES

Health Benefits	8.4%
Vacation/Paid Time Off	8.3%
Flexible Working Hours	8%
Annual Bonus	7.6%
Training/Education Sponsorship	7.9%

101 - 1000 EMPLOYEES

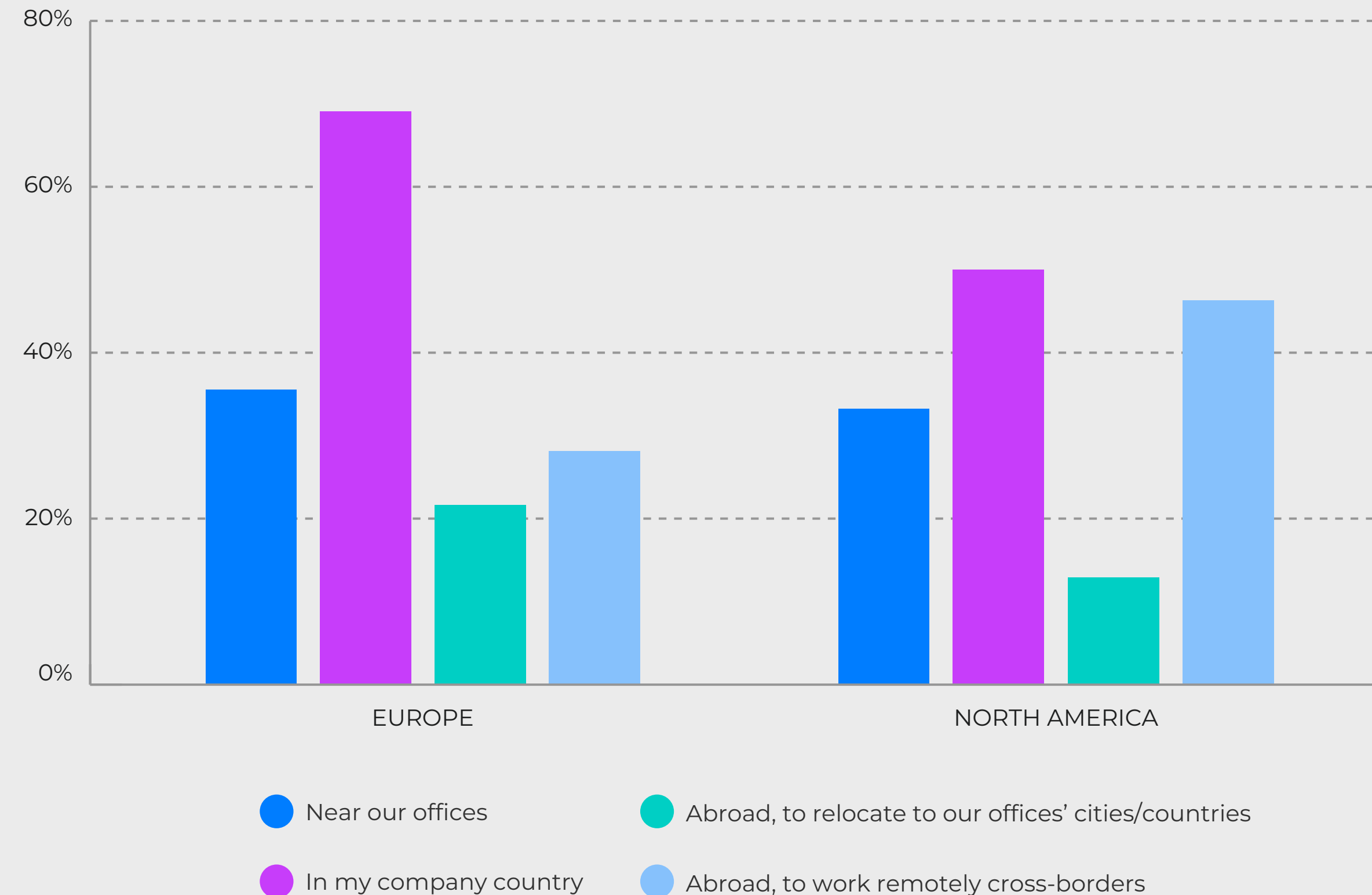
Health Benefits	8.6%
Vacation/Paid Time Off	8.6%
Flexible Working Hours	8.5%
Team Building and Social Events	8.4%
Training/Education Sponsorship	7.5%

Worker location policy for IT Recruitment

BY CONTINENT

In general North American companies seem more inclined to recruit IT Professionals exclusively locally.

- European companies are not as adept at Cross-Borders Remote Work, with only 28% considering this option versus 46.3% of their North American counterparts.
- Could this be related to a growing local IT Talent scarcity?
- On other hand European companies are more in favor of recruiting IT Professionals abroad and relocating them near their office's cities/countries (21.5% vs 13%).



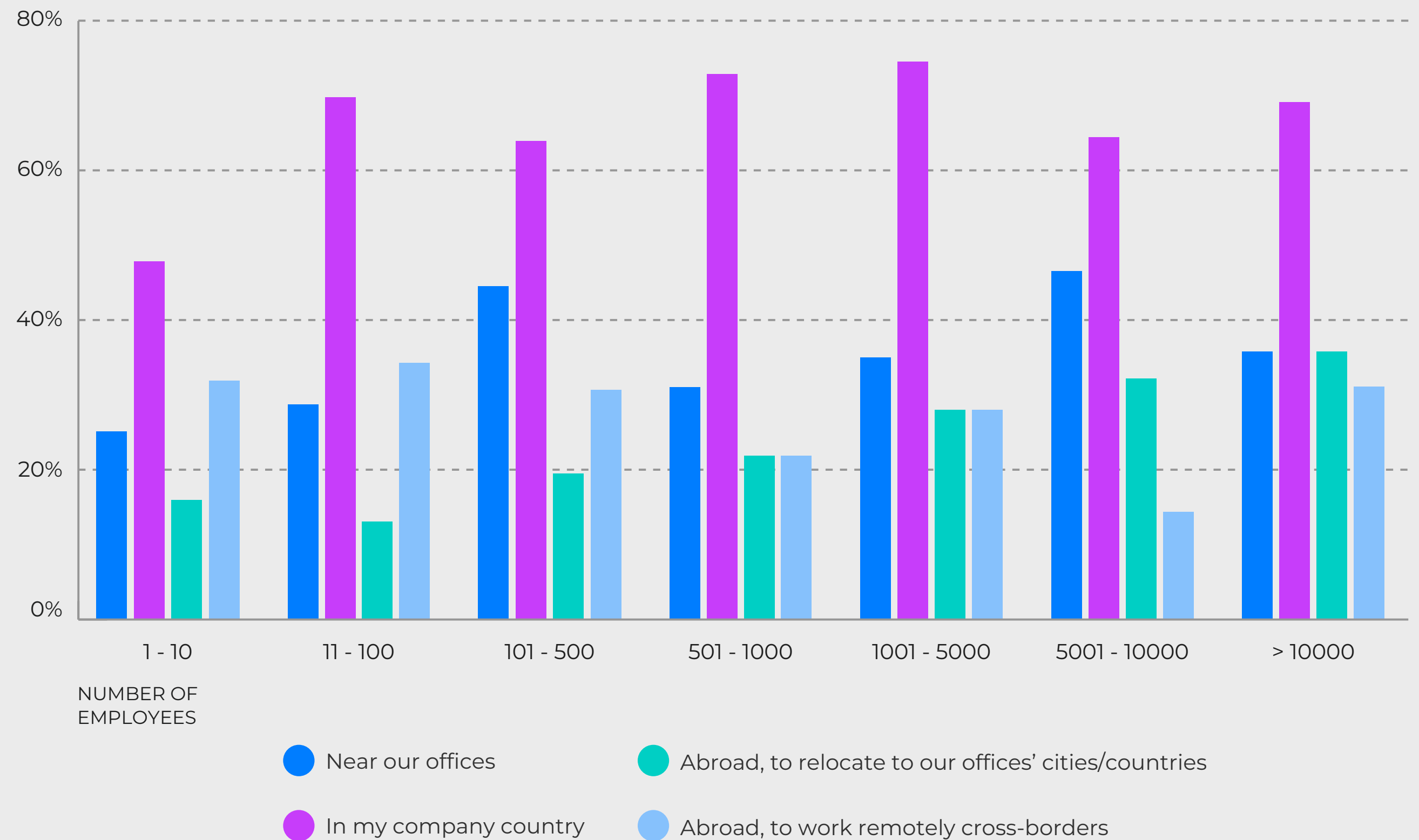
Note: Values for each continent add to more than 100% because each respondent could have checked multiple responses.

Worker location policy for IT Recruitment

BY COMPANY SIZE

Larger companies (10,000+ employees) are the champions of Recruiting abroad

- Most companies (67%) will recruit in their company country.
- The larger the company, the more they consider recruiting IT Professionals abroad to relocate to a nearby location.



Note: Values for each continent add to more than 100% because each respondent could have checked multiple responses.

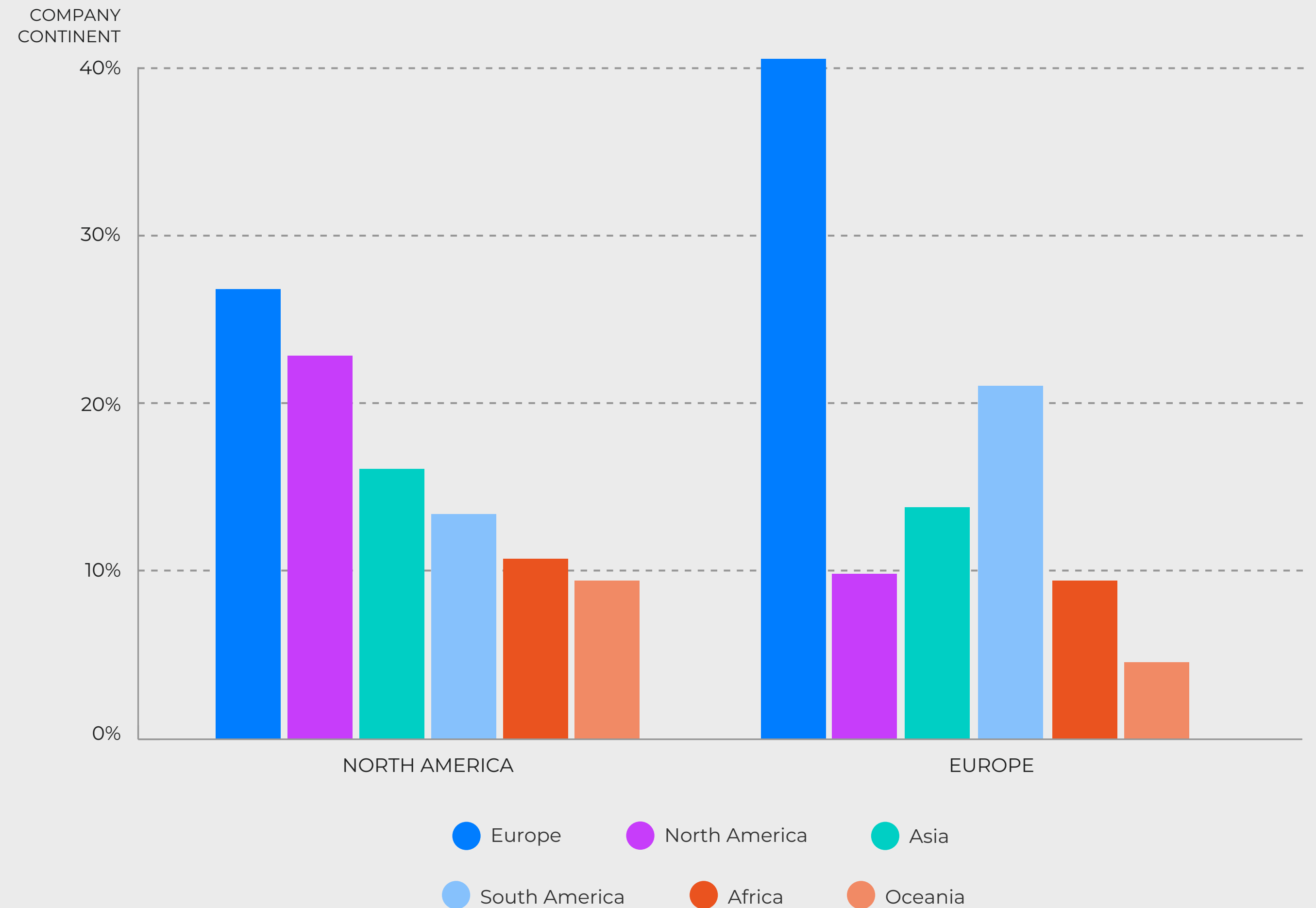
Continents where companies will recruit from

(only for respondents who answered they'll recruit abroad)

BY CONTINENT

Europe is the continent companies intend to recruit more IT Professionals abroad

- Curiously European companies seem to consider more recruiting IT Professionals from South America than North American ones (the opposite might be expected due to timezone windows).
- Oceania and Africa are the continents companies are less inclined to recruit abroad from.

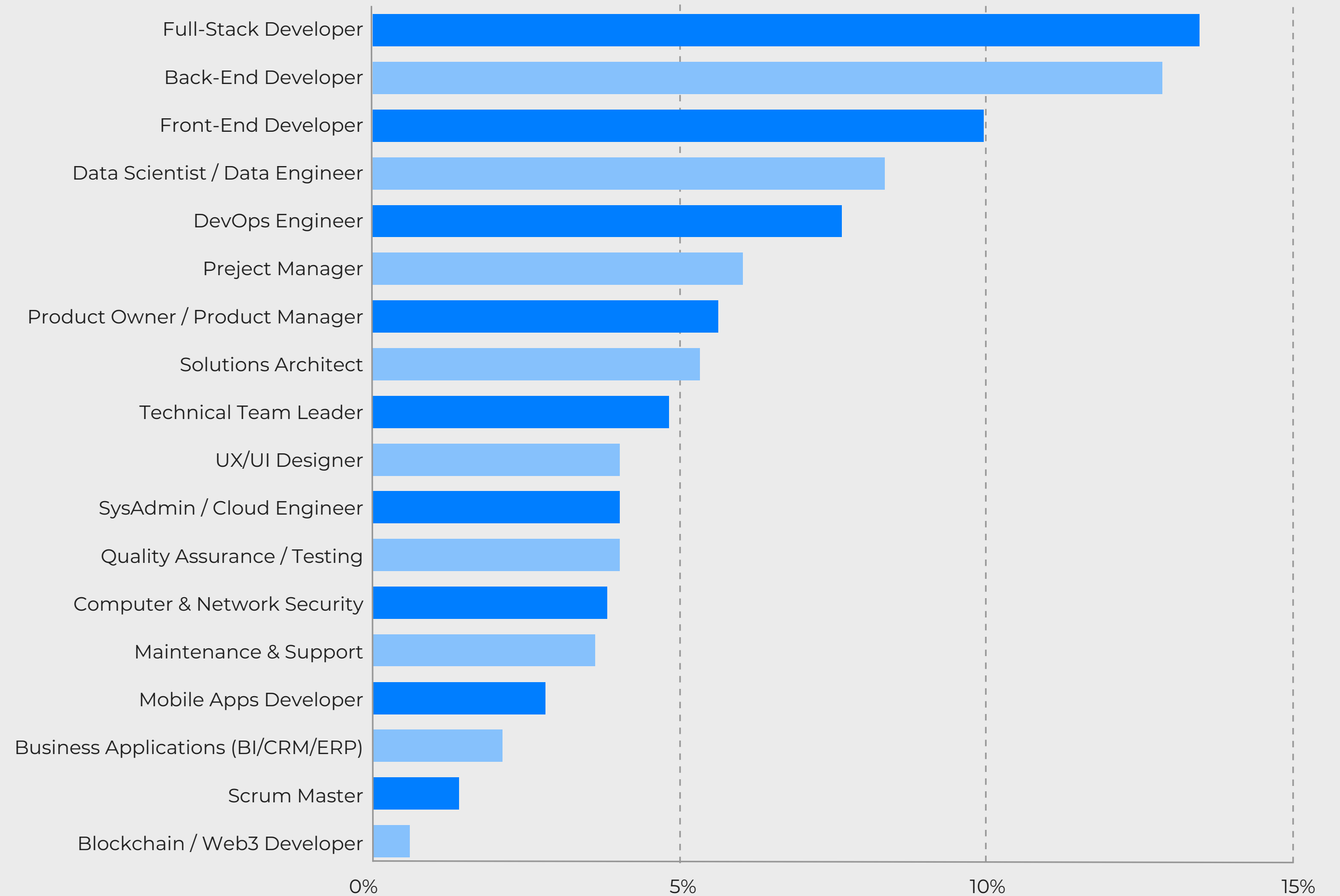


Note: Values for each continent add to more than 100% because each respondent could have checked multiple responses.

What roles companies are planning to hire for

Full-stack and Back-end developers are the most sought for IT Professionals

- Front-end developers, Data related roles and DevOps follow on top of the list of preferences.
- On the bottom of the list come Blockchain Developers, Scrum Masters and Business Applications consultants.
- According to Landing.Jobs talent-based reports, categories like DevOps, Product Owner/Managers and Solution Architects seem have a market discrepancy, with a bigger demand of these professionals than the talent available.

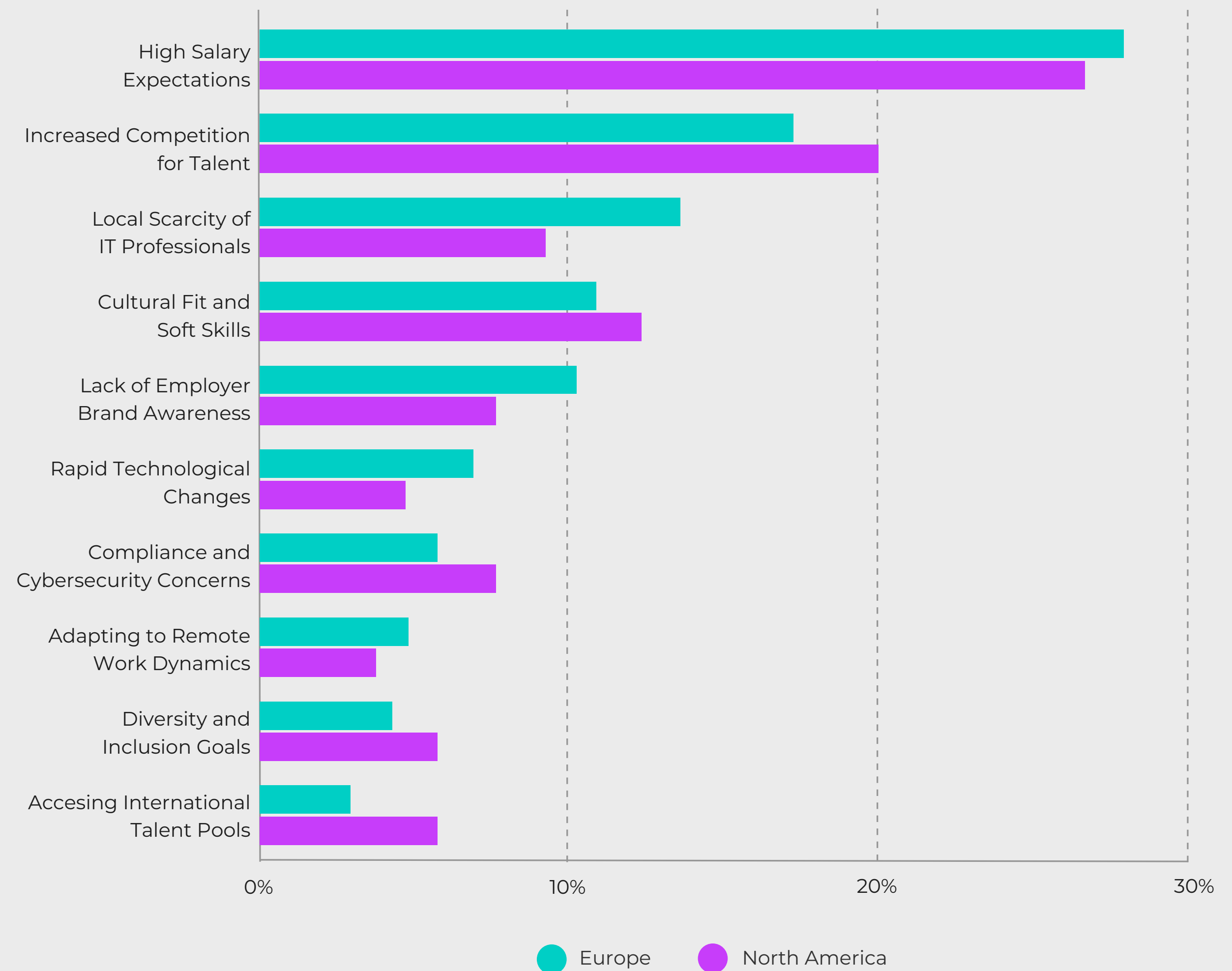


Top challenges to IT recruitment in 2024

BY CONTINENT

IT Salaries are troubling

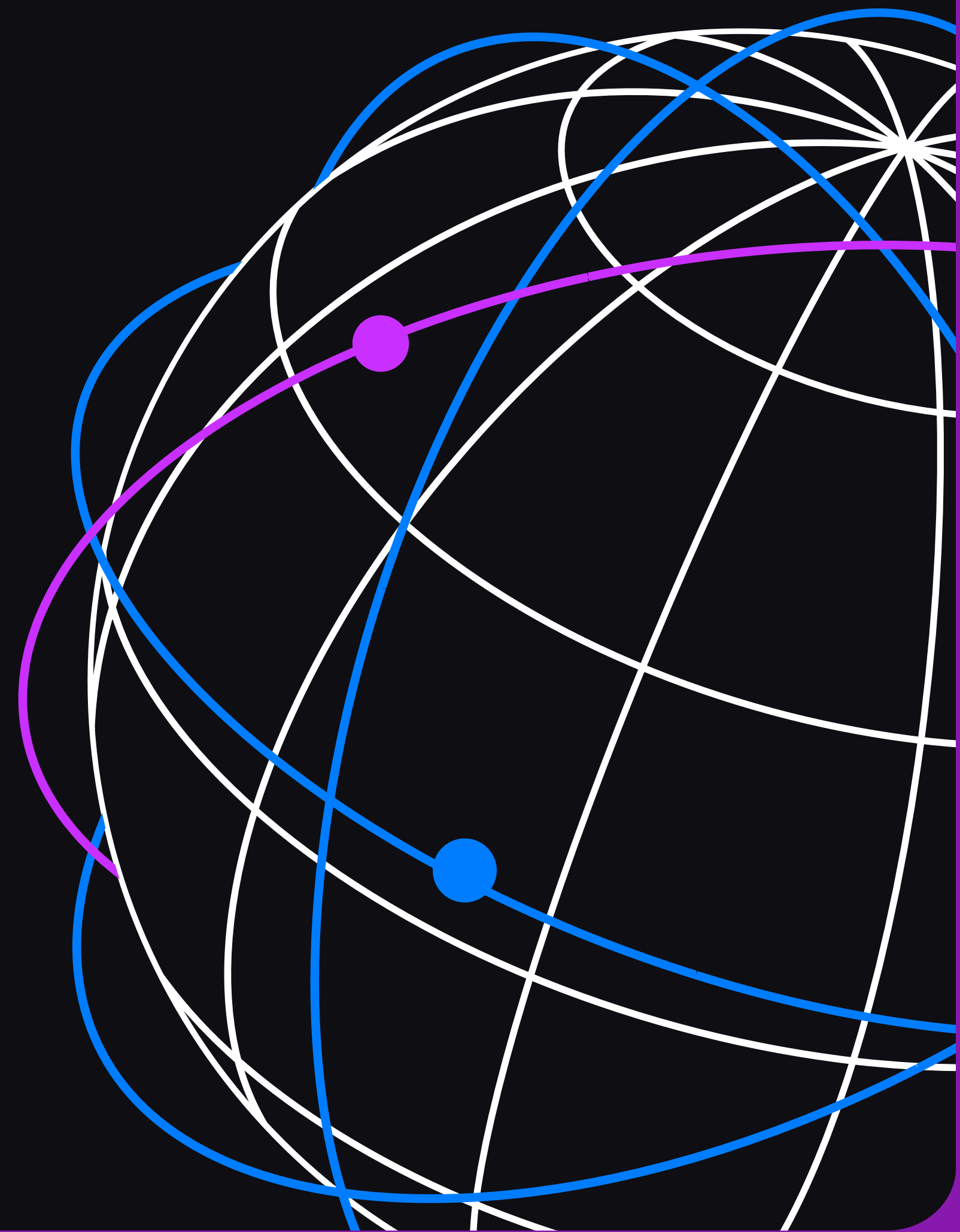
- Contrary to previous years, it seems the salaries of IT Professionals have risen to a level where companies are really worried about balancing these costs in their budget. Probably this is also affected by it being harder to access capital nowadays.
- European companies seem less troubled by competition for talent than North American companies, but on the other hand seem more worried about local talent scarcity than their counterparts.
- North American companies are more worried about accessing international talent pools than European companies, maybe correlated to their bigger inclination to recruit abroad.



05

Staffing/ Outsourcing

This section presents data on how companies use IT staffing/outsourcing providers and independent contractors. Staffing means subcontracting external or temporary workers from outsourced providers, while independent contractors represent themselves.

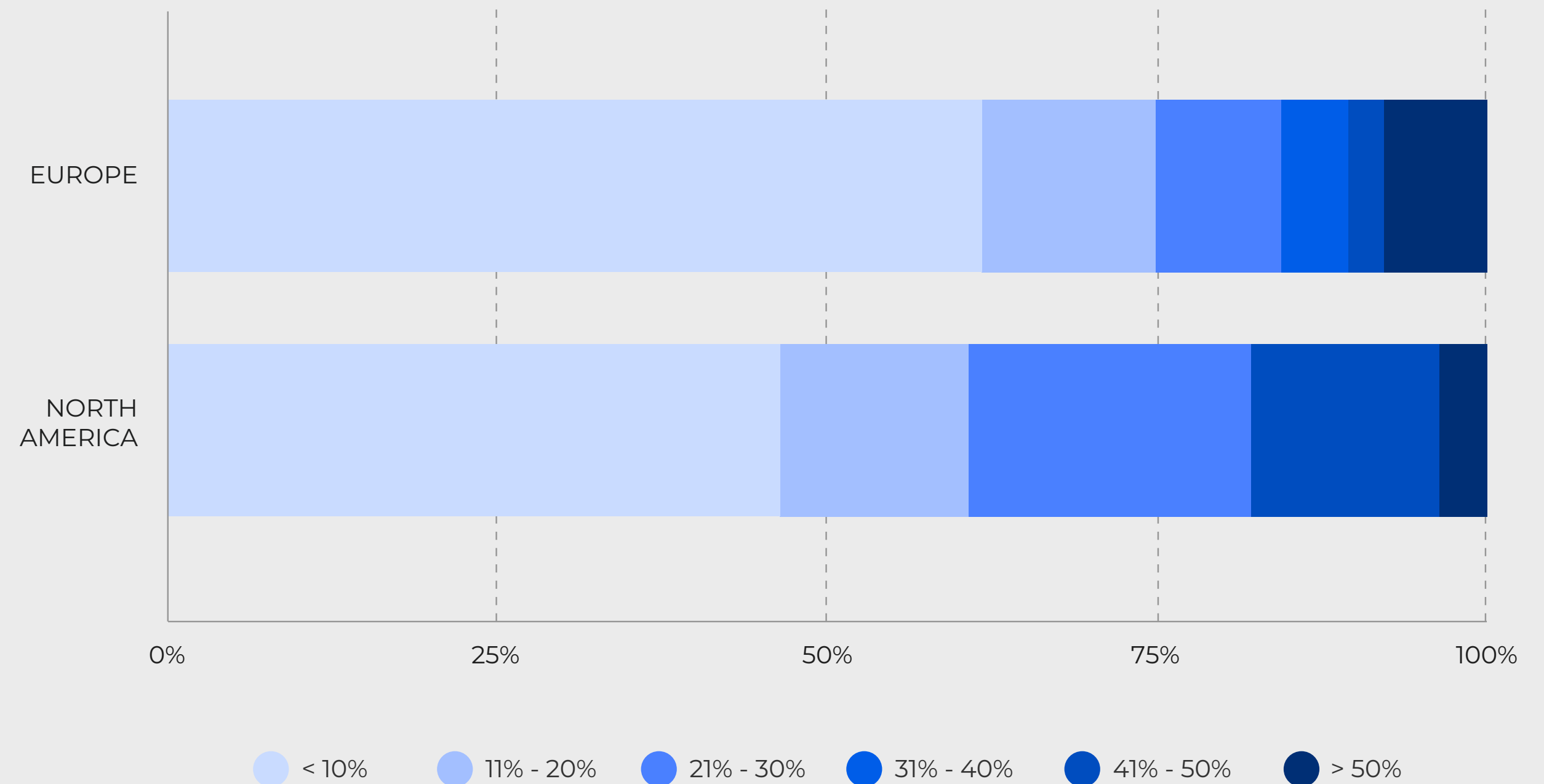


Percentage of externals/ temporary IT workers

BY CONTINENT

Remembering: around 60% of companies use External / Temporary IT Professionals

- European companies are less keen to have External IT Professionals among their ranks, with 61.7% of respondents having less than 10% of external IT workers with them.
- On the other hand North American companies seem to have a better relation with a larger number of external IT Professionals in their workforce.
- Which factors influence this difference the most? Management culture? Work laws? Other variables? A good topic for discussion, for sure.

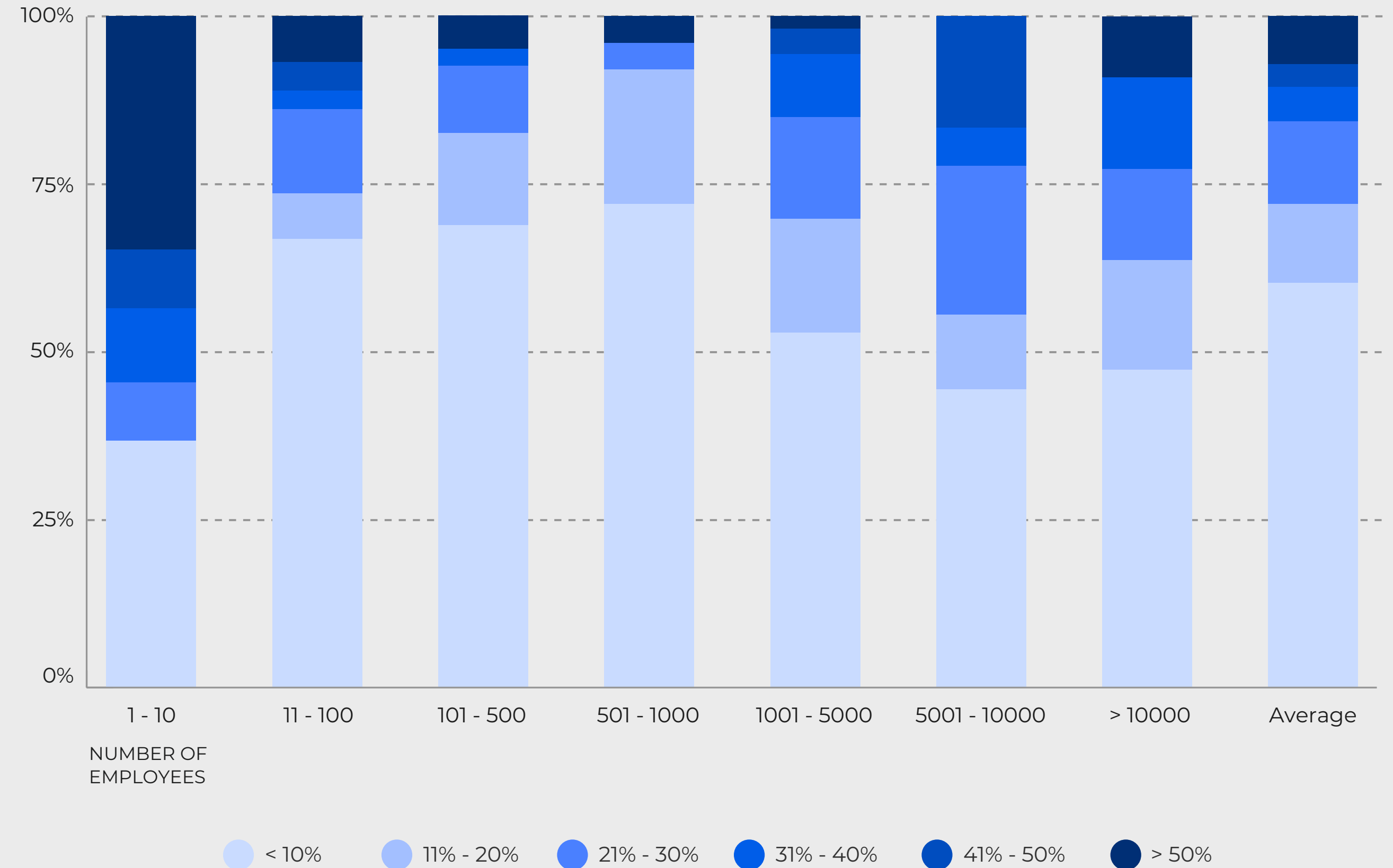


What percentage of IT workers are externals/ temporary?

BY COMPANY SIZE

As a pattern, the larger the company the more external IT professionals are used

- This with the exception of smaller companies (less than 10 employees) which seem to sit between using similar percentages of lower and higher numbers of external IT workers.
- Companies with 501 to 1,000 employees the ones less prone to use external IT workers (72% for the 'less than 10%' category)

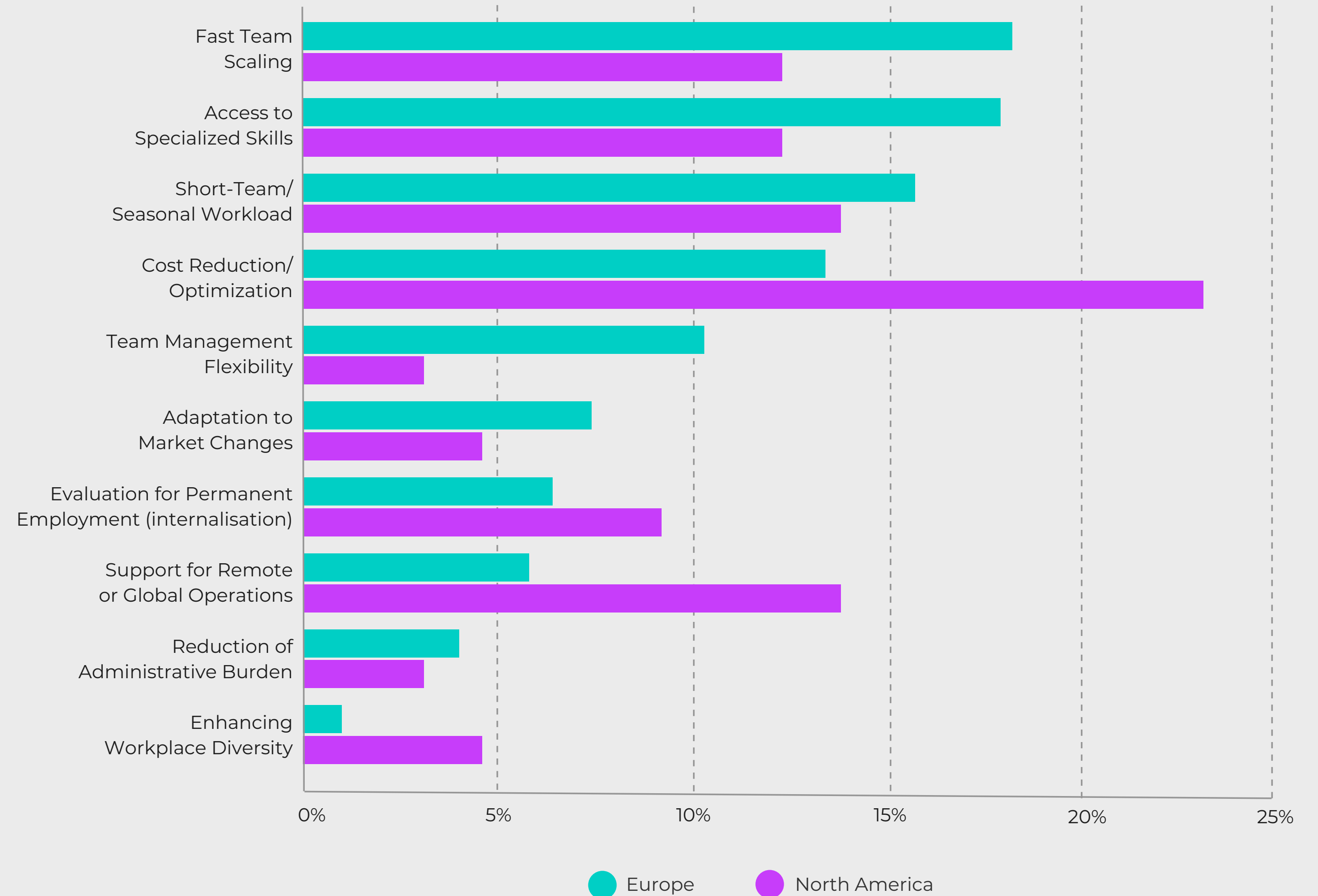


Main reasons to use IT Staffing

BY CONTINENT

There are some striking differences between North America and Europe

- In comparison, European companies favor IT Staffing to scale their IT teams faster, access specialized skills and have more flexibility managing their IT teams.
- On their side, North American companies tend to use IT Staffing mainly as a way to reduce/optimize costs and support remote/global operations.

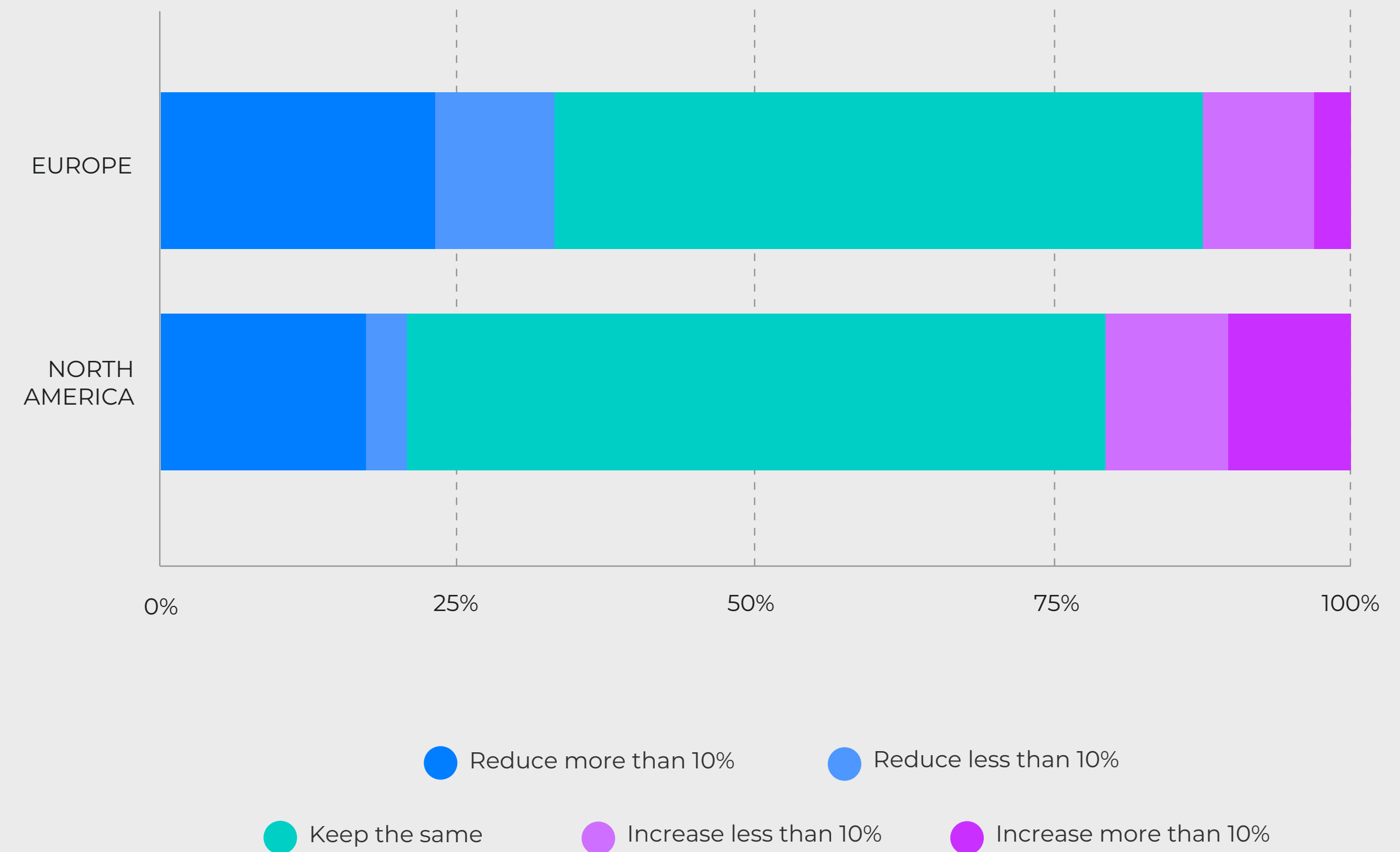


Expected variation of external/temporary IT workers in 2024

BY CONTINENT

Most companies using external IT workforce will keep their current pace

- Even though European companies already tend to use less external IT workers than North American ones, they intend to further reduce this option more, in comparison.
- Again, does this reflect a more dynamic and integrated approach to the management of IT teams in North America versus Europe?

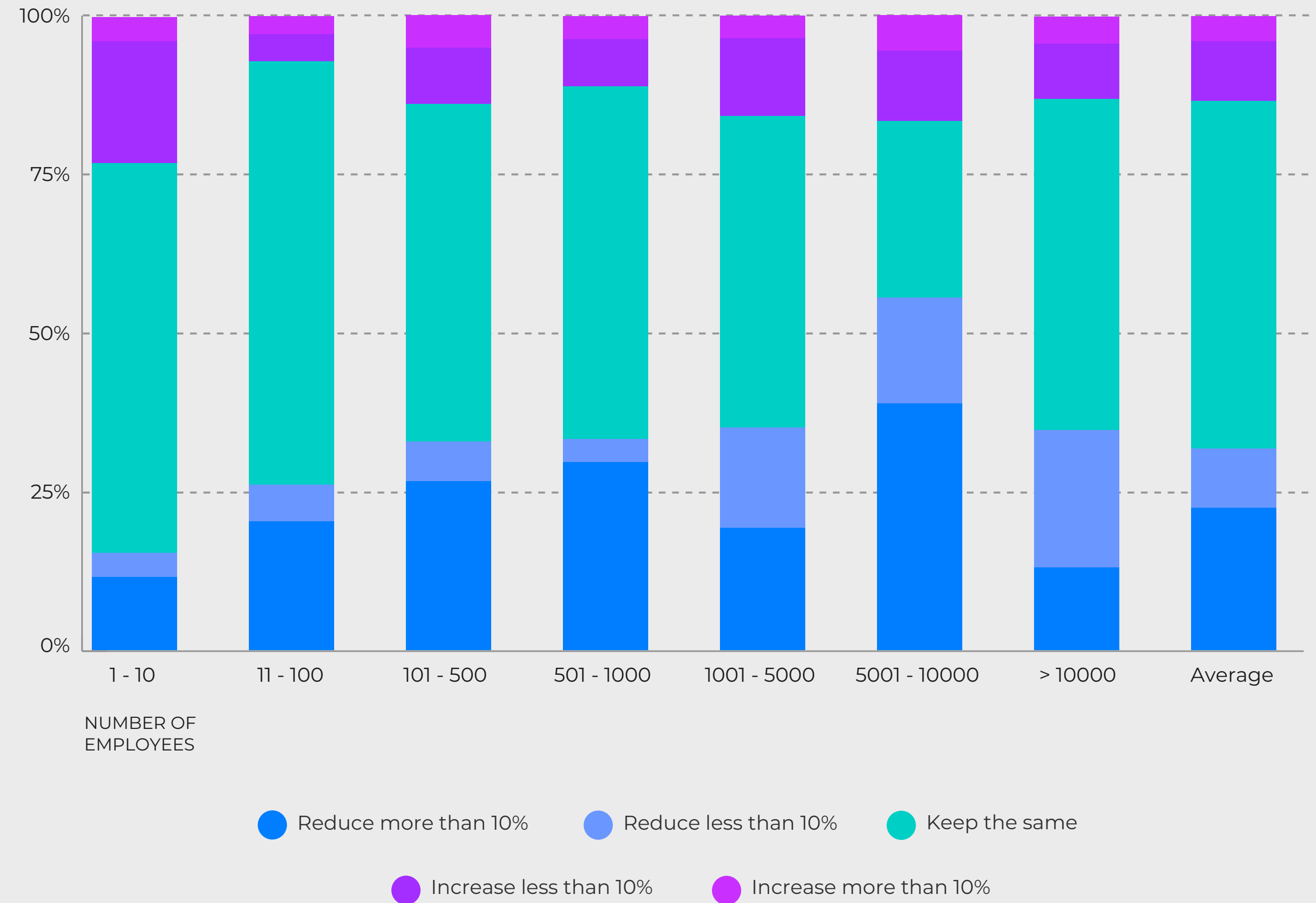


Expected variation of external/temporary IT workers in 2024

BY COMPANY SIZE

On average, the larger the company the more inclined it is to reduce using external IT workers

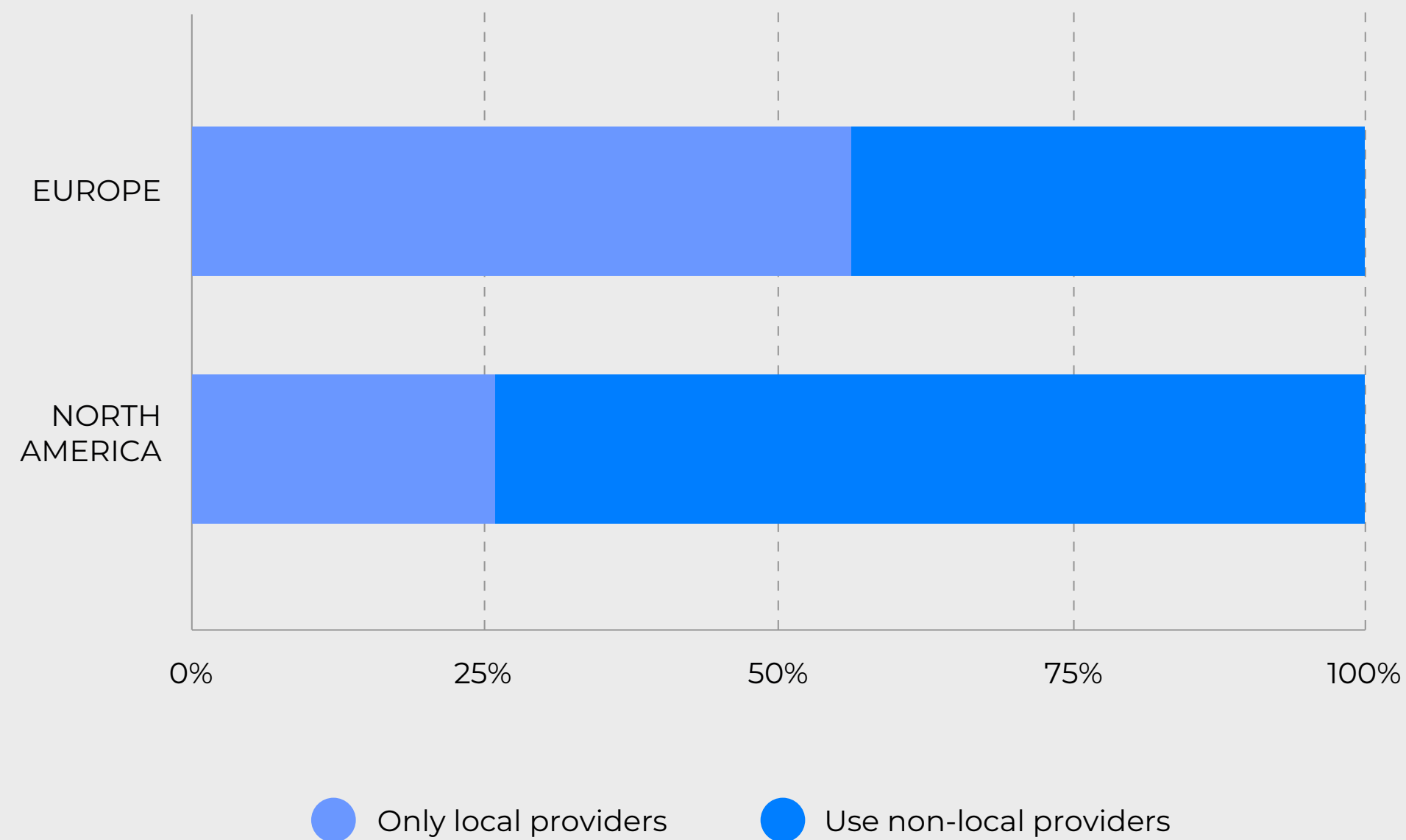
- Especially in the 5,001 to 10,000 employees segment (55.6% of respondents).
- 13.4% of companies intend to increase the usage of IT Staffing / Outsourcing and / or Independent Contractors.



Companies' use of non-local IT Staffing providers

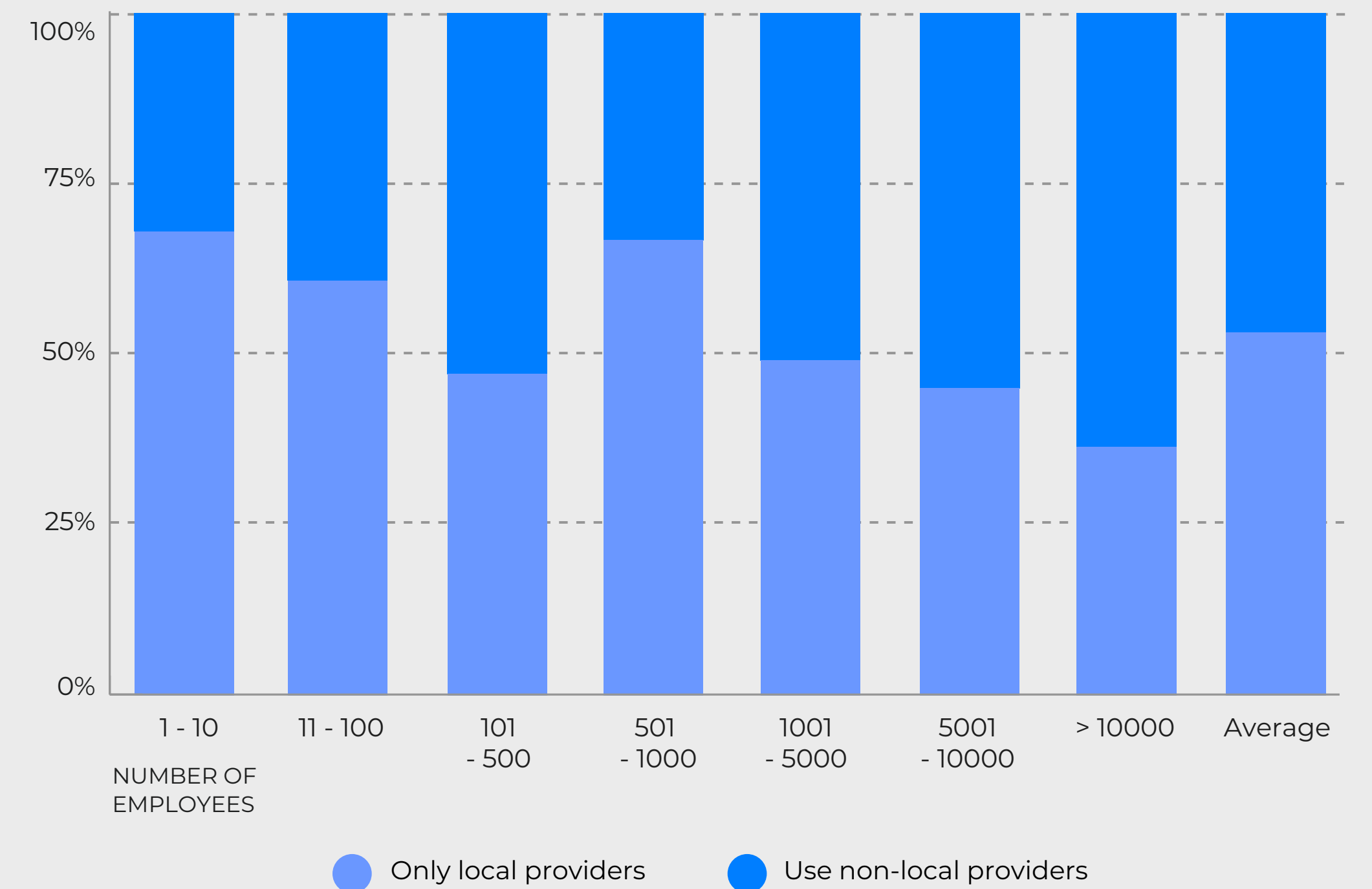
BY CONTINENT

74.2% of North American companies use non-local IT Staffing providers, compared with only 43.8% of European companies.



BY COMPANY SIZE

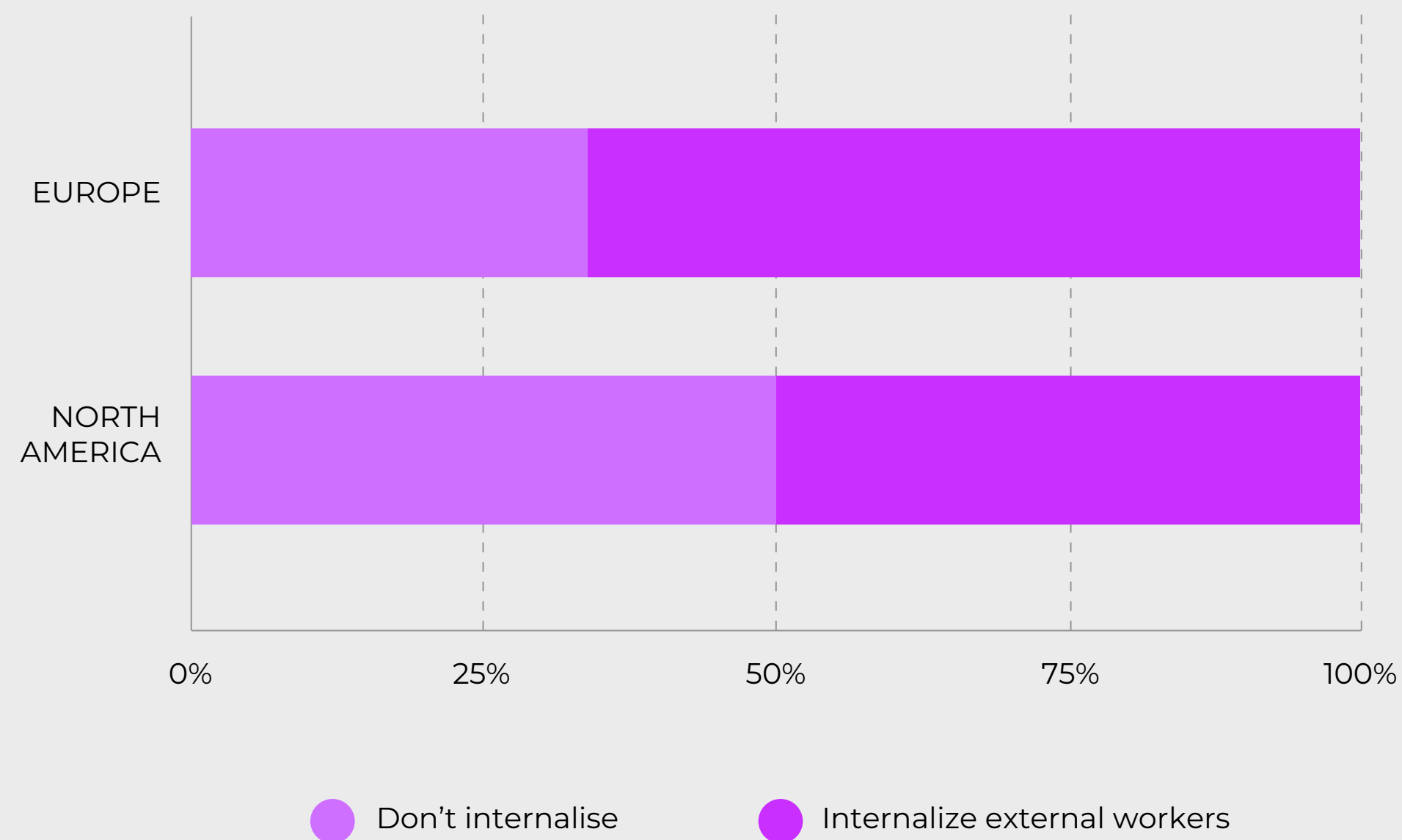
On average, the smaller the company the more they use only local IT Staffing Providers.



Internalisation of external/temporary IT professionals

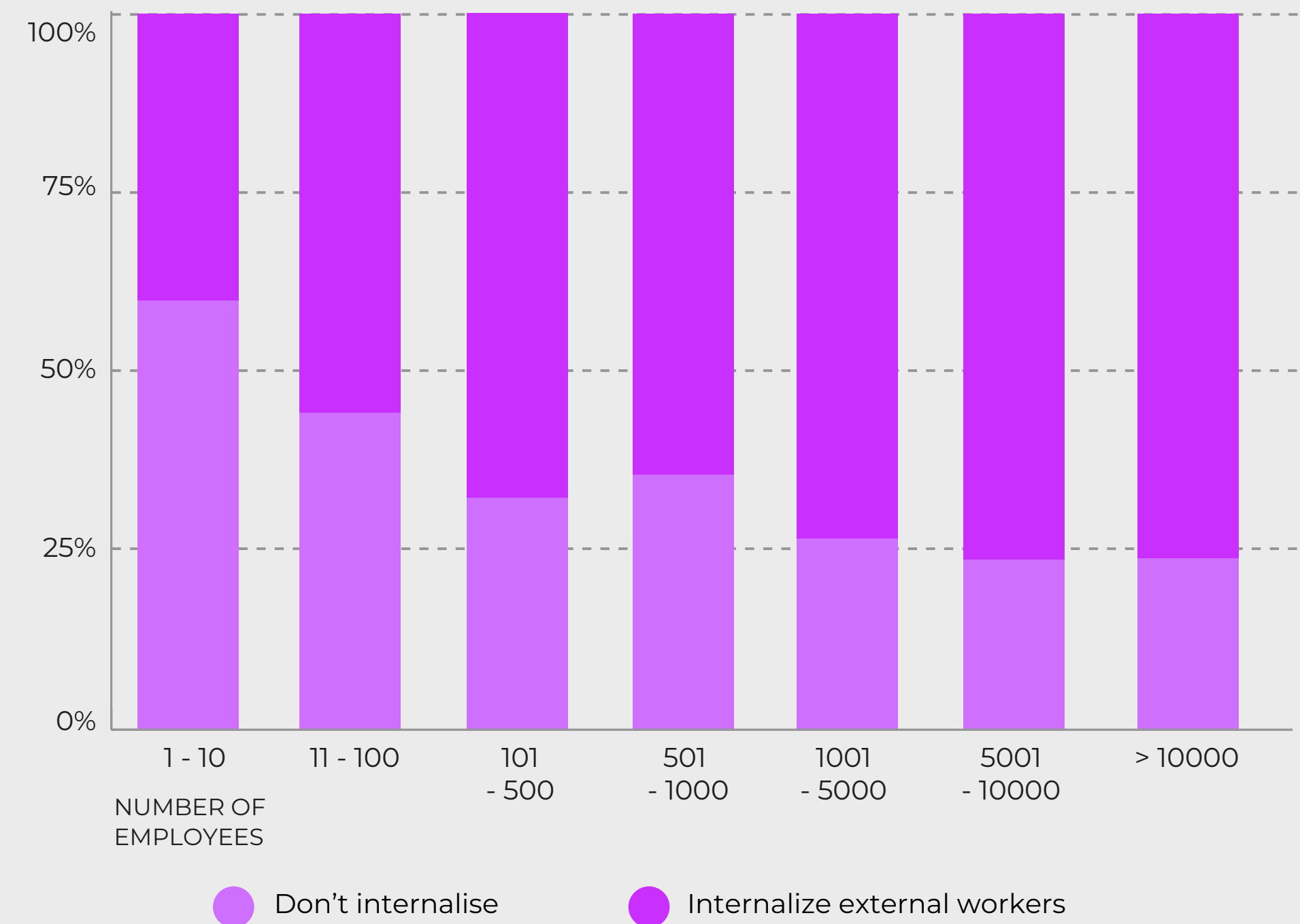
BY CONTINENT

North American companies not only rely more on External IT Workers, as they also tend to internalise them more



BY COMPANY SIZE

The pattern is clear here: the large the company, the higher the tendency to internalise External IT workers. Could this be called 'slow recruitment'?



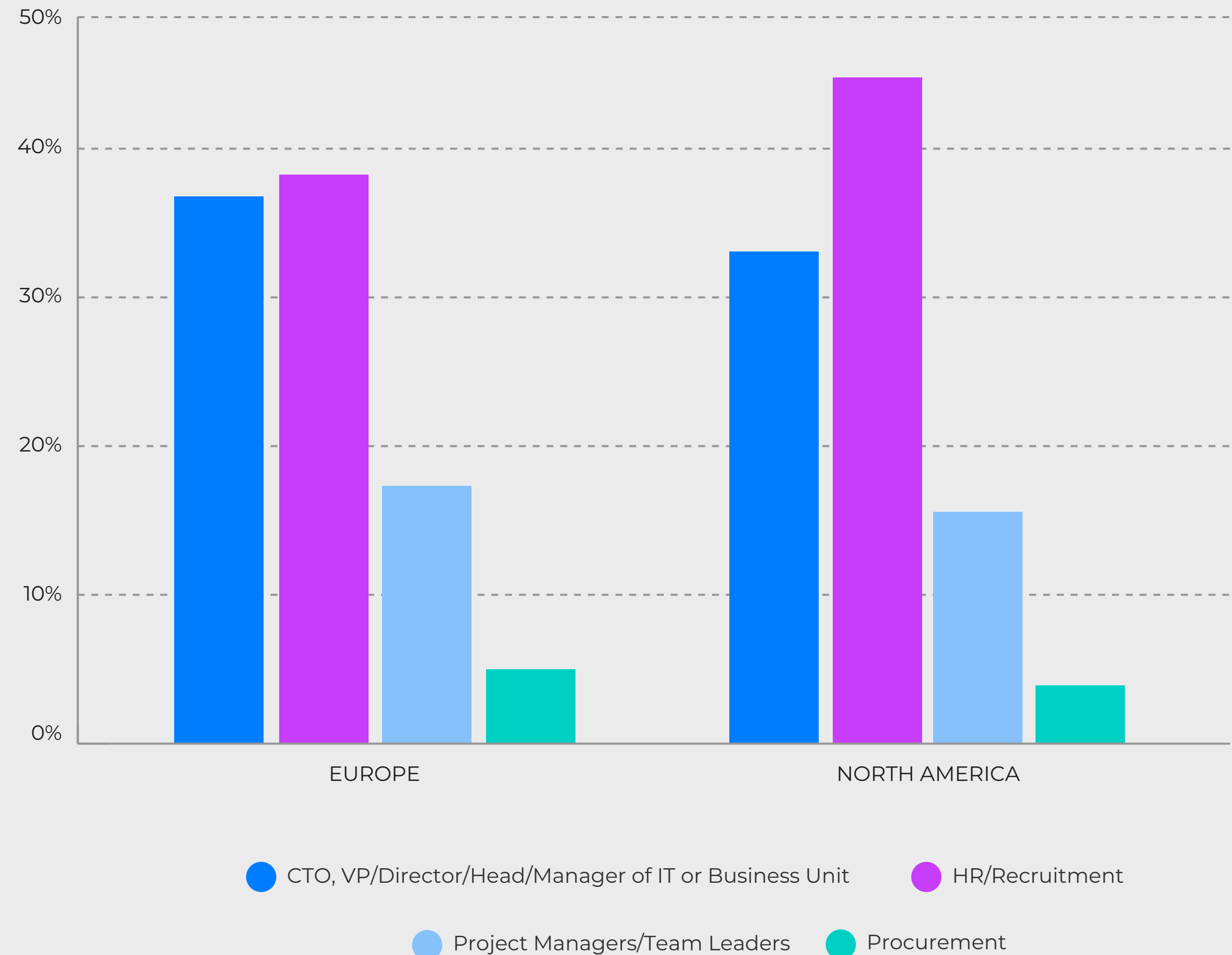
Note: By 'internalisation' it should be understood the practice of recruiting an external/temporary worker as an internal / permanent employee after a period of time.

Who manages IT Staffing hiring

BY CONTINENT

HR/Recruitment departments manage IT Staffing hiring the most in both continents

- IT Staffing hiring tends to be less centralized than IT Recruitment hiring. There's however a growing trend for this centralization, sometimes with the goal of managing for IT Staffing and Recruitment (perms and temps) in an integrated fashion.
- Procurement departments are the ones less probable to manage this function, and the autonomy of Project Managers and Team Leaders is also limited in this topic.
- So, in the end, IT Staffing tends to be managed mostly by Senior Executives directly or by HR Departments.

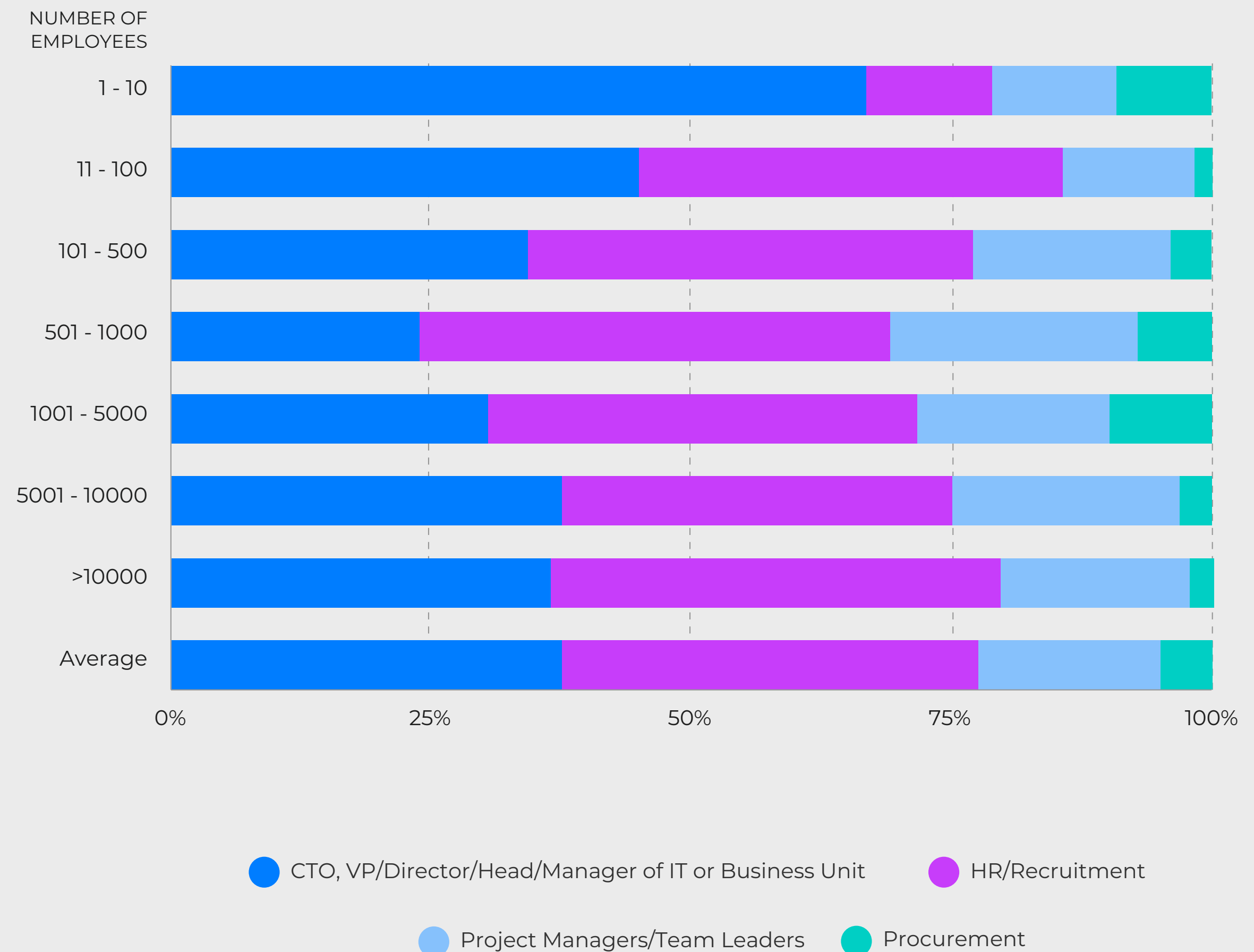


Who manages IT Staffing hiring

BY COMPANY SIZE

Smaller companies rely a lot on Executives for managing IT Staffing

- C-Levels/VPs and Heads of IT/Business progressively lose their relevance in the management of IT Staffing until the 501 to 1000 employees company size, resuming a growing importance from that level until the larger companies.
- One possible interpretation of this might be that as company size grow (until the 501 to 1000 employees level) HR Departments start centralizing both IT Recruitment and Staffing, and at that level companies start re-organizing themselves by dividing into smaller Business Units, where the 'IT and Business Executives' and 'Team Leaders' regain relevance in regards to IT Staffing. This is obviously just an hypothesis.

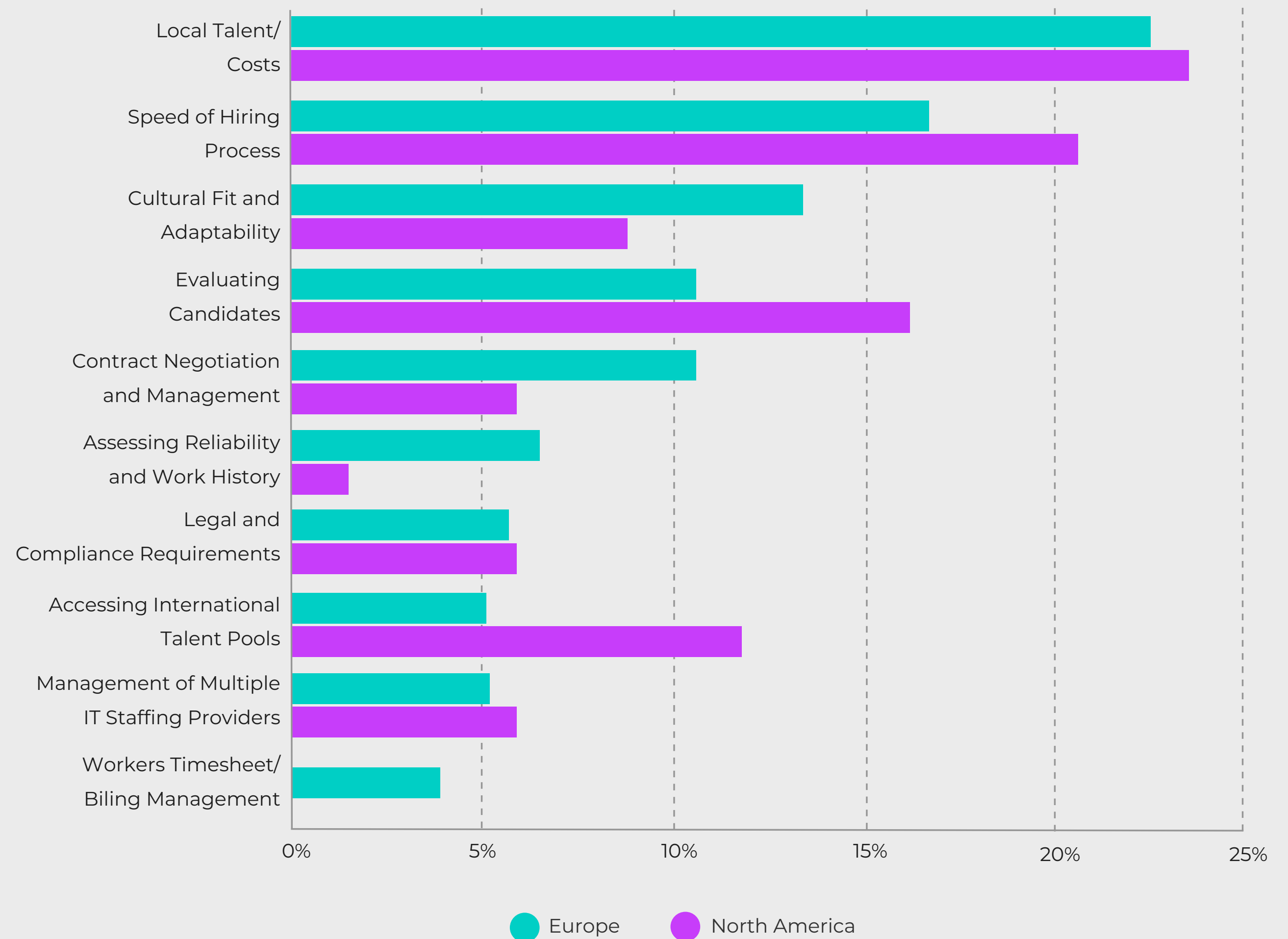


Top challenges regarding IT Staffing in 2024

BY CONTINENT

Local Talent Scarcity will be the main challenge for IT Staffing

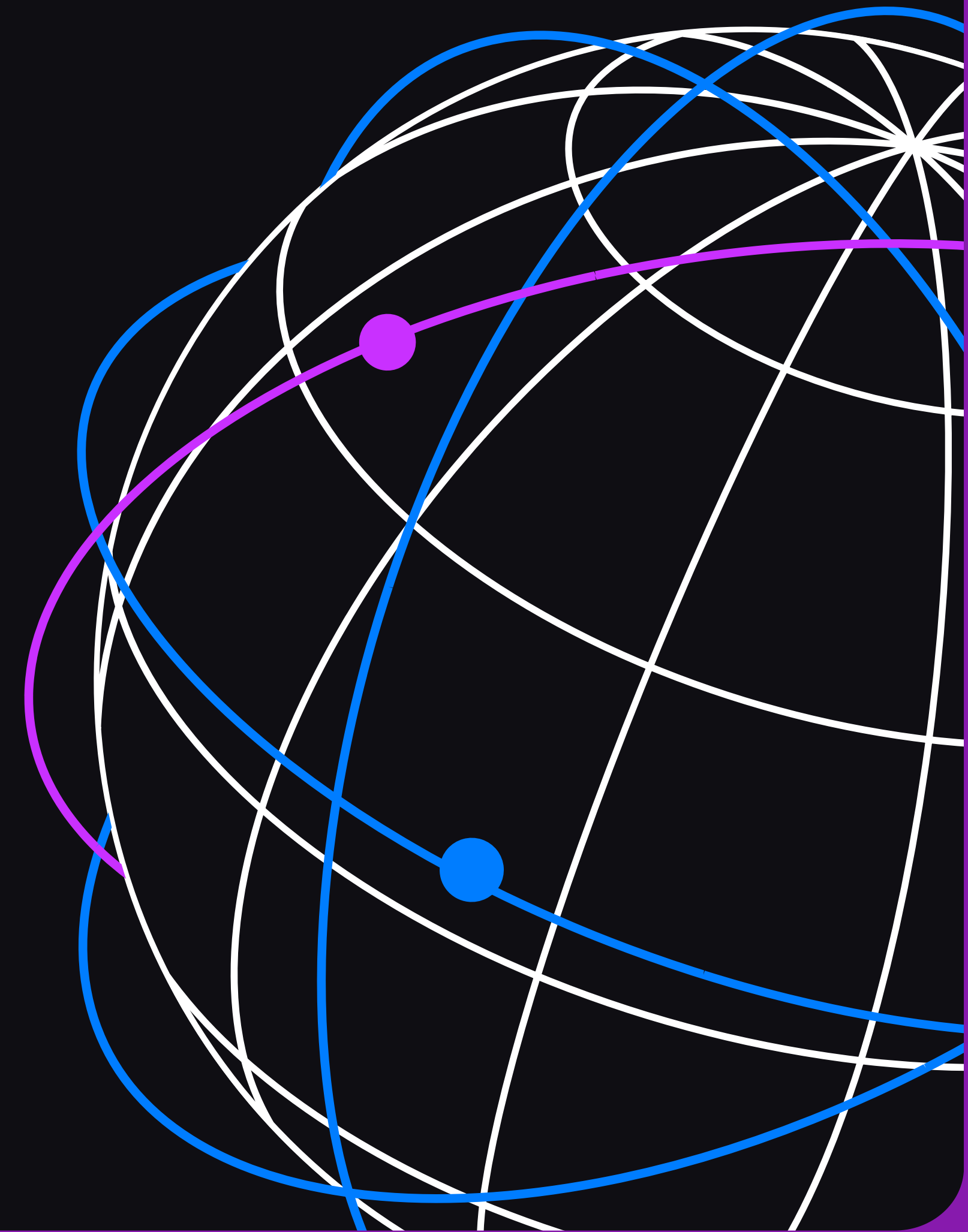
- The scarcity problem is shared on both sides of the Atlantic.
- North American companies seem worried with speed of hiring process, candidate evaluation and access to international talent pools.
- On the other hand, European companies focus more on cultural fit and adaptability, contract negotiation and assessing reliability and work history.
- In general it seems North Americans are more worried with getting the job done, while Europeans on doing the job well.



06

Future Trends

We asked respondents for other insights, remarks or perspectives they have on the topics of Tech Hiring Trends and Future of Work. The answers were properly analyzed (by AI and Humans) and here is a summary.



General Considerations

AI AND AUTOMATION'S DUAL IMPACT

AI is both eliminating jobs and creating new opportunities, necessitating adaptability and upskilling in the workforce. It's still unclear if the market need for IT talent will decrease or increase in the mid/long term.

REMOTE AND HYBRID WORK

There's a strong shift towards remote and hybrid models, locally and internationally, with emphasis on managing these arrangements effectively and addressing associated challenges.

SKILLS AND TALENT MANAGEMENT

A higher demand for specific skills, particularly in data, AI, and cybersecurity, alongside the need for continuous learning and development, is noted. Companies aim to attract and retain talent through better management practices and development opportunities.

WORKFORCE DYNAMICS

The future of work is characterized by technological, social, and economic shifts, with a focus on flexibility, diversity, ethical considerations, and a balance between technical and soft skills.

SOCIOECONOMIC AND GEOPOLITICAL FACTORS

External factors, including geopolitical tensions and cybersecurity in conflict zones, are influencing hiring practices and workforce management, highlighting the need for preparedness and resilience.

EMPLOYMENT PRACTICES AND CULTURE

Insights point towards the importance of meaningful engagement, employer branding, and a supportive company culture in attracting and retaining talent.

Overall, the responses suggest that adaptability, skill development, and a strategic and integrated approach to workforce management are crucial for navigating the evolving tech landscape.

IT Recruitment and IT Staffing specific insights

IT RECRUITMENT

- Focus on long-term alignment, emphasizing personal development, culture fit, and adaptability to technological changes.
- Values soft skills and continuous learning as much as technical expertise, aiming to integrate employees into the company's growth trajectory.
- Employer branding and a positive work environment are key to attracting and retaining talent.

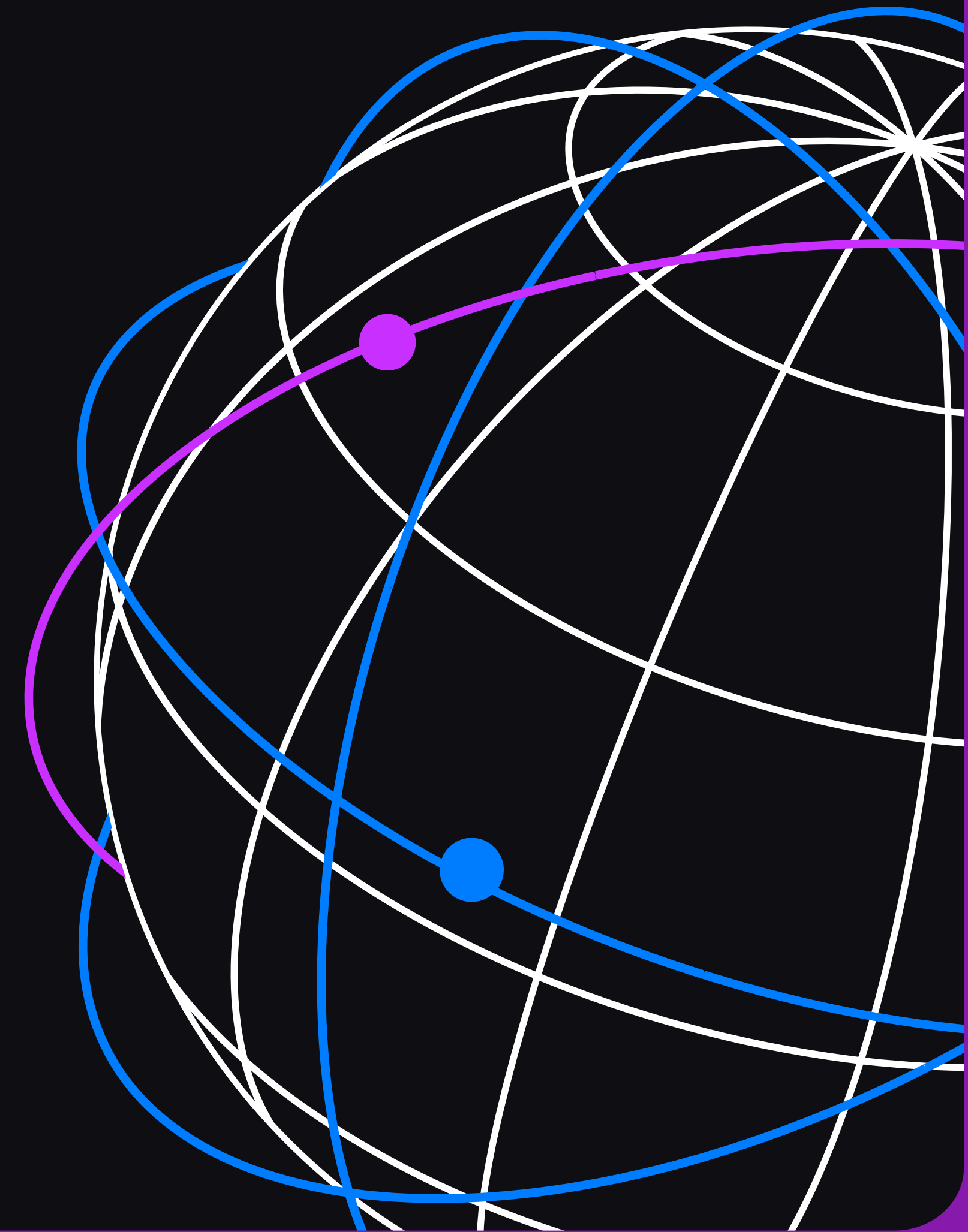
IT STAFFING / OUTSOURCING

- Targets immediate needs with specific skill sets for project-based or temporary work, offering flexibility and rapid adaptability to market demands.
- Serves as a trial period for both companies and workers, with potential for temporary roles to transition into permanent positions within the company ("slow recruitment").
- Responds to economic conditions and technological advancements, allowing companies to efficiently scale / downsize their workforce.

- In essence, IT Recruitment is about building a sustainable, culturally coherent workforce for the long haul, while IT Staffing provides the agility to meet immediate project demands and explore potential long-term fits within the organization.
- A final trend for both IT Recruitment and IT Staffing is the progressive indistinction between them, with the growing integration and centralization of their management and teams, processes and tools.

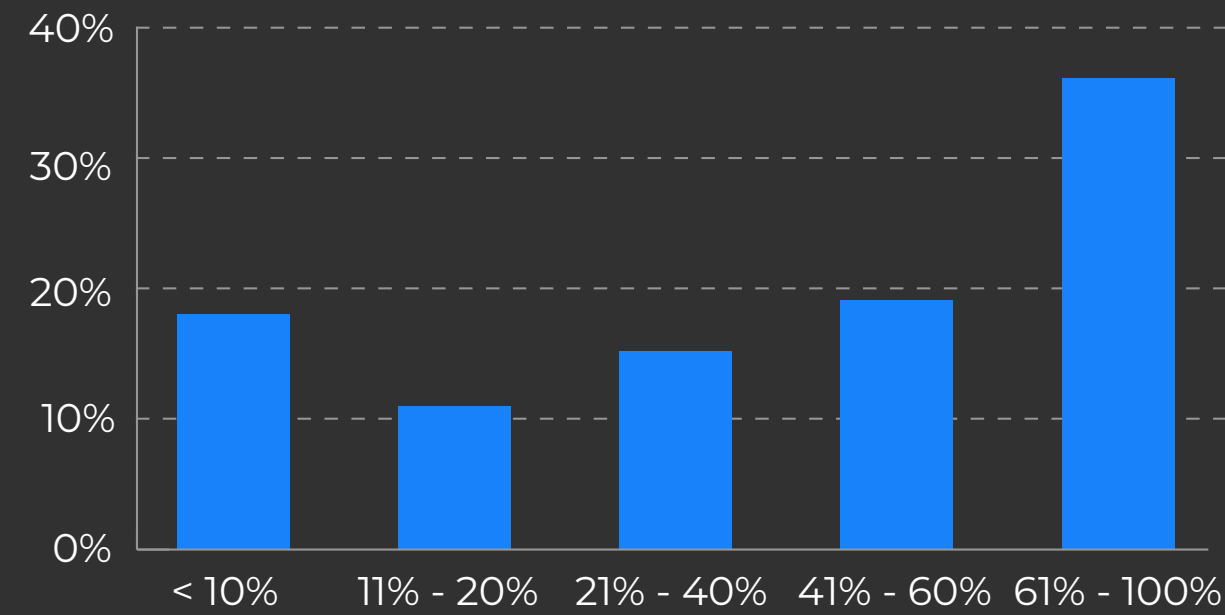
Technical Sheet

Data sheet on the survey sample and methodologies

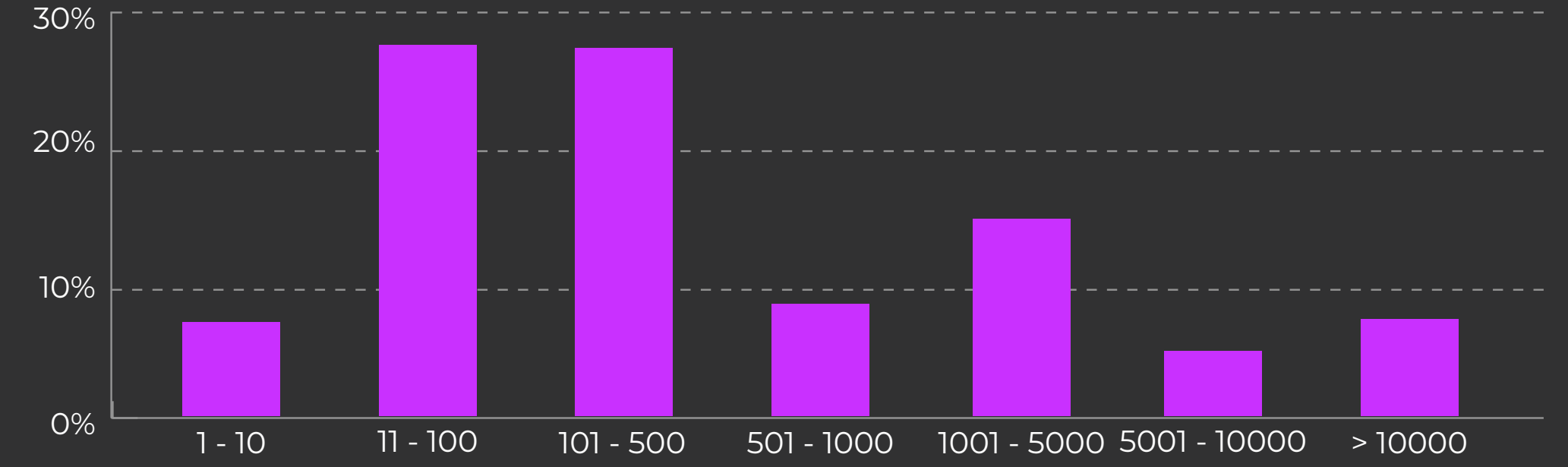


This report was created from the contributions of 621 respondents from Dec 2023 to Feb 2024. From these we only responses from Europe and North America were considered, totalling 576 respondents, characterized by the charts in this page.

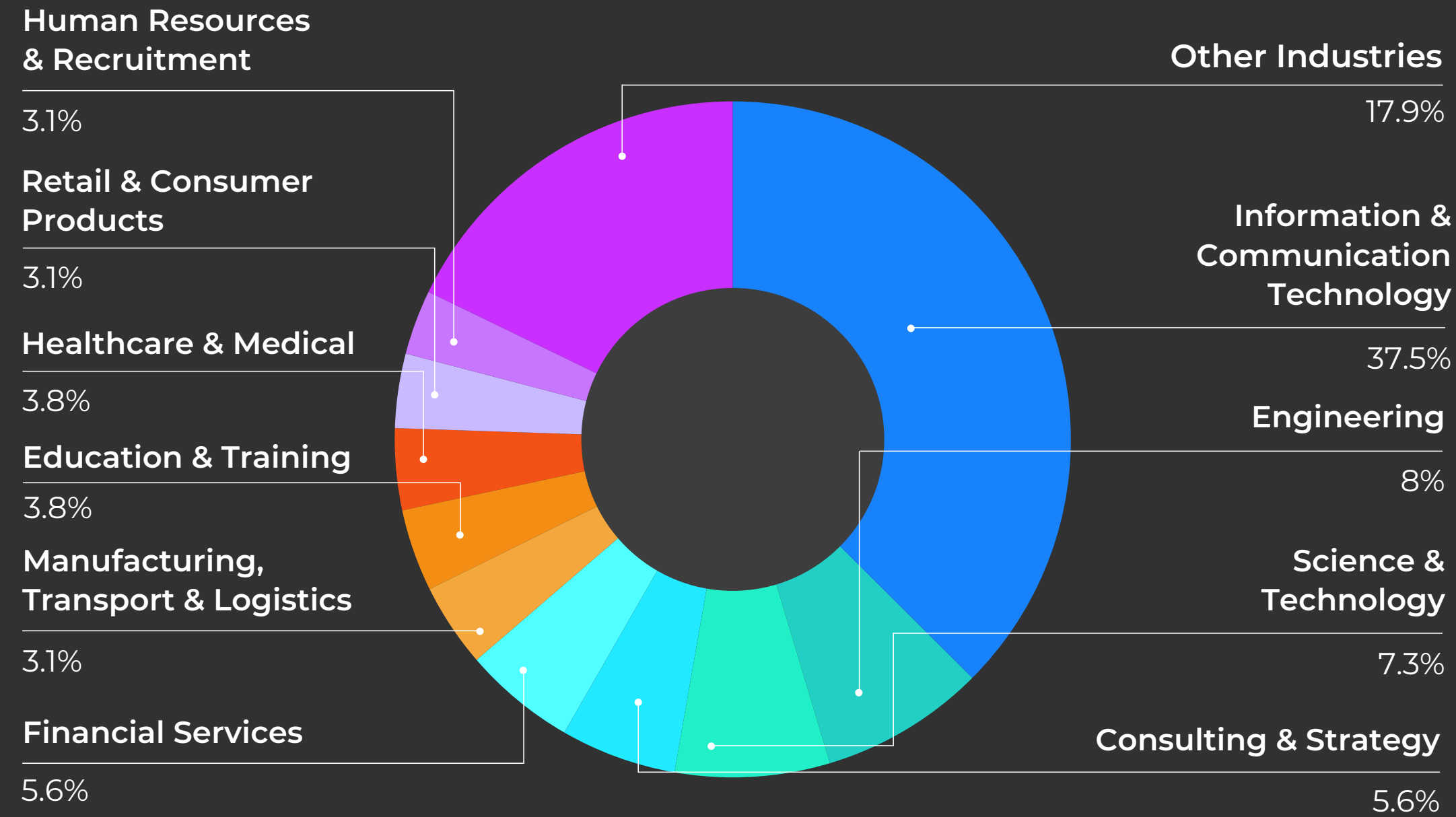
% of employees working in IT



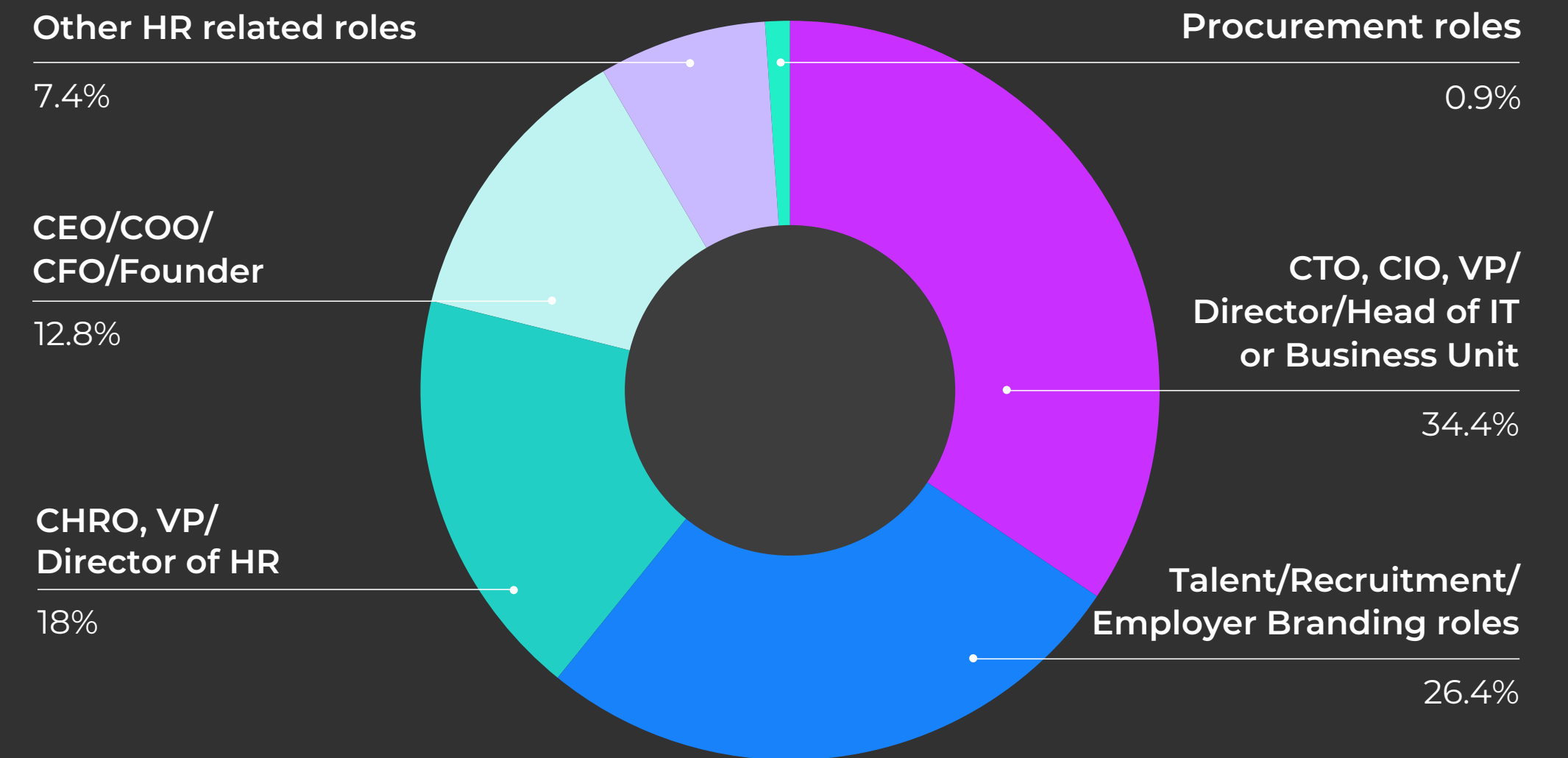
Company size



Industry



Professional role





GLOBAL IT RECRUITMENT + STAFFING/OUTSOURCING

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