

new zealand employment

outlook 2024.



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New Zealand's economic and employment outlook for 2024

a period of transition and opportunity

After a year of economic turbulence in 2023, New Zealand is poised for a transformative 2024. The previous year saw the nation navigating recessions, natural calamities, and an election — factors that collectively dented the confidence of businesses and investors. However, with the election of a new government and the anticipated fiscal stimulus, 2024 promises a rejuvenated economic climate.

challenges and opportunities in 2024

Despite rising unemployment, there is an acute lack of talent, especially in professional services such as technology, accounting and finance, sales, education, healthcare and human resources. The relaxation in migration rules post pandemic offers a potential solution, but the question remains: are incoming professionals equipped with the necessary skills for the roles that need filling?

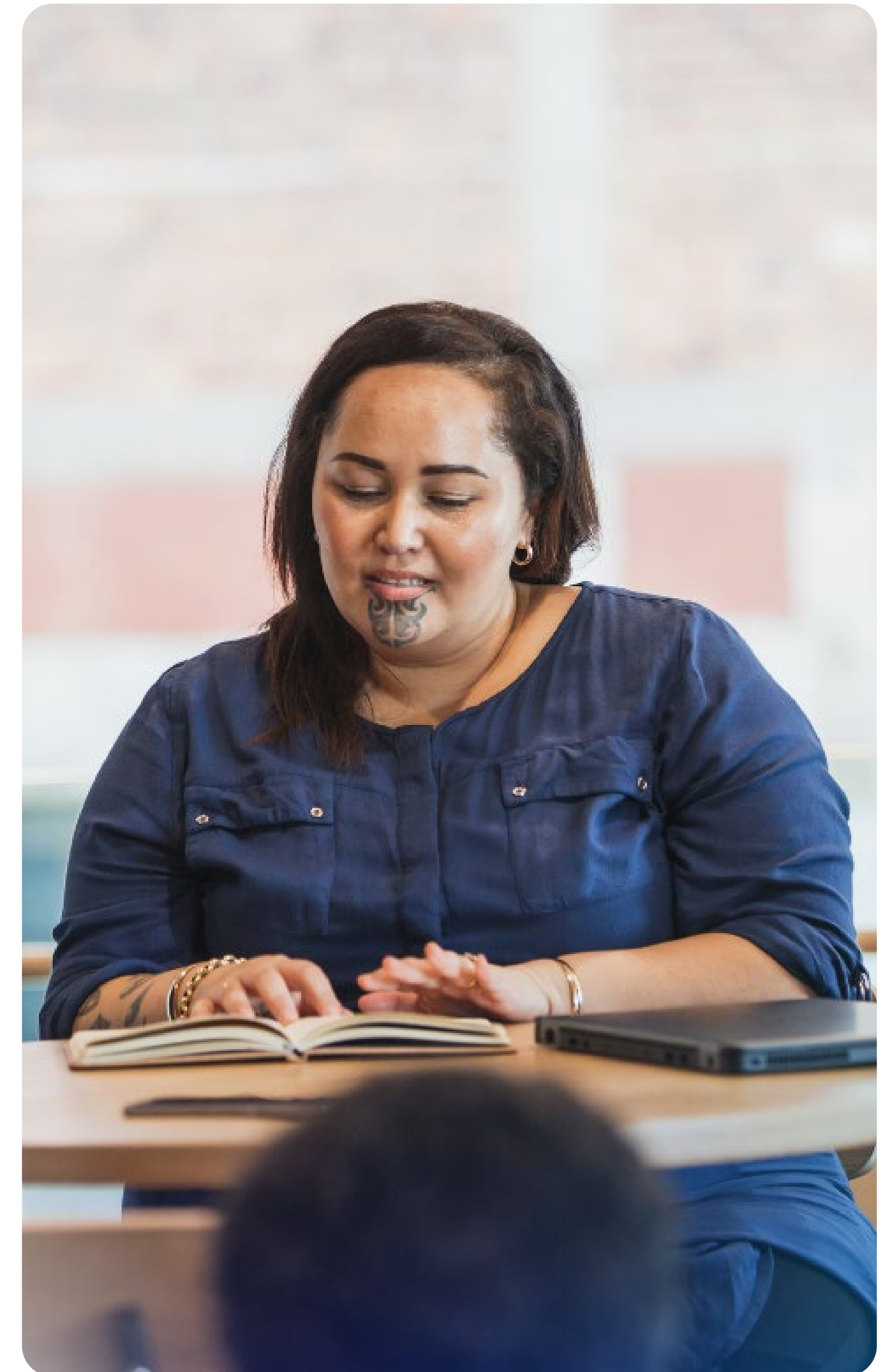
There is also the persistent challenge of the brain drain in New Zealand. The appeal of better salaries and opportunities abroad, especially in neighboring Australia, continues to draw Kiwis away. And with a global shift toward remote work, nearshoring and offshoring of work, New Zealanders working for international companies while residing locally, present new possibilities but also potential knowledge loss that organisations need to address.

This mass exodus has a twofold effect: the immediate loss of intellectual property and the potential longer-term detriment to New Zealand's industries and labour market. However, the brain drain also presents opportunities for individuals who choose to stay. Being agile, with a readiness to cross-train, re-skill and upskill, can help Kiwis thrive in their home country, even in the face of challenges.

Jobseekers in New Zealand must proactively position themselves for success in 2024. In an era of technological disruption driven by AI, soft skills are increasingly in demand. Problem-solving, creativity, technology proficiency, and relationship management skills are now as crucial as traditional technical skills. The emphasis isn't just on understanding tech but leveraging it to solve real-world problems. Embracing these skills will be vital for job seekers to stand out in a competitive market.

promising sectors for 2024

Due to the change in government, although public spending might see reductions, the requirement for tech-savvy professionals in project management, transformation, engineering, and general management is expected to remain buoyant. Infrastructure projects in major cities will continue to create demand for both white-collar professionals and labourers in construction and engineering. And there will of course be sustained demand across the healthcare and education sectors in New Zealand.



the world of work in 2024 and beyond

The future will continue to be flexible. While businesses acknowledge the need for physical connection and engagement, the trend of remote working is undeniable. The challenge lies in ensuring productivity and maintaining organisational culture in such a dispersed environment.

The introduction of AI is both an opportunity and a challenge. Companies must invest in upskilling their workforce to harness the potential of AI, ensuring competitive advantage and market leadership. As technology permeates various sectors, it's not just about learning the technology but adapting due to its influence. Professionals must evolve in their roles, becoming more agile and client-facing.

Leaders will also need to hone their remote management skills, focusing on aspects like mental well-being, onboarding, and fostering an inclusive environment.

With the war for talent persisting, it is paramount for companies to focus on their Employee Value Proposition (EVP) and demonstrate a genuine commitment to diversity, equity, and inclusion to attract and retain top talent. A strong focus on creating a connected, engaged, and diverse workplace will be vital.

Despite the tumultuous journey of 2023, the sentiment for 2024 remains positive. The challenges of the previous year have paved the way for a year of opportunities, learning, and growth. As businesses and individuals adapt to these transitions, New Zealand is all set to emerge stronger and more resilient.

Richard Kennedy
Country Director
Randstad New Zealand



2024 market analysis.



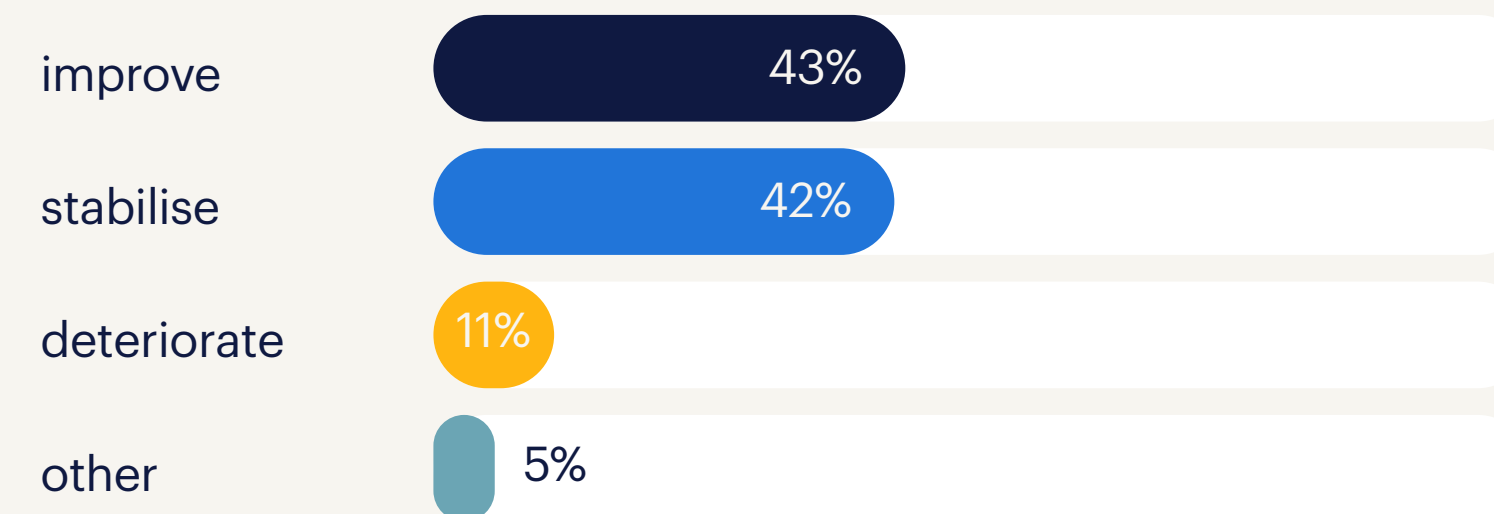
employment market analysis and commentary.

The 2024 New Zealand Employment Outlook Survey conducted by Randstad provides valuable insights into how employers and hiring managers perceive the year ahead. Here, we delve into the key findings, providing analysis and commentary on their implications for New Zealand's labour market.

economic outlook.

The survey findings indicate a generally optimistic outlook on New Zealand's economic performance in 2024, with 43% of respondents expecting improvements and 42% forecasting stability. This optimism likely stems from the country's resilience during challenging times, including the global pandemic. The positive outlook suggests that businesses anticipate favourable conditions for growth, potentially leading to increased hiring and investment. However, it's important to note that external factors, such as global economic trends and geopolitical events, can influence these expectations. It will be interesting to see if the change in Government will renew business confidence, and be pivotal for shaping economic conditions for the future.

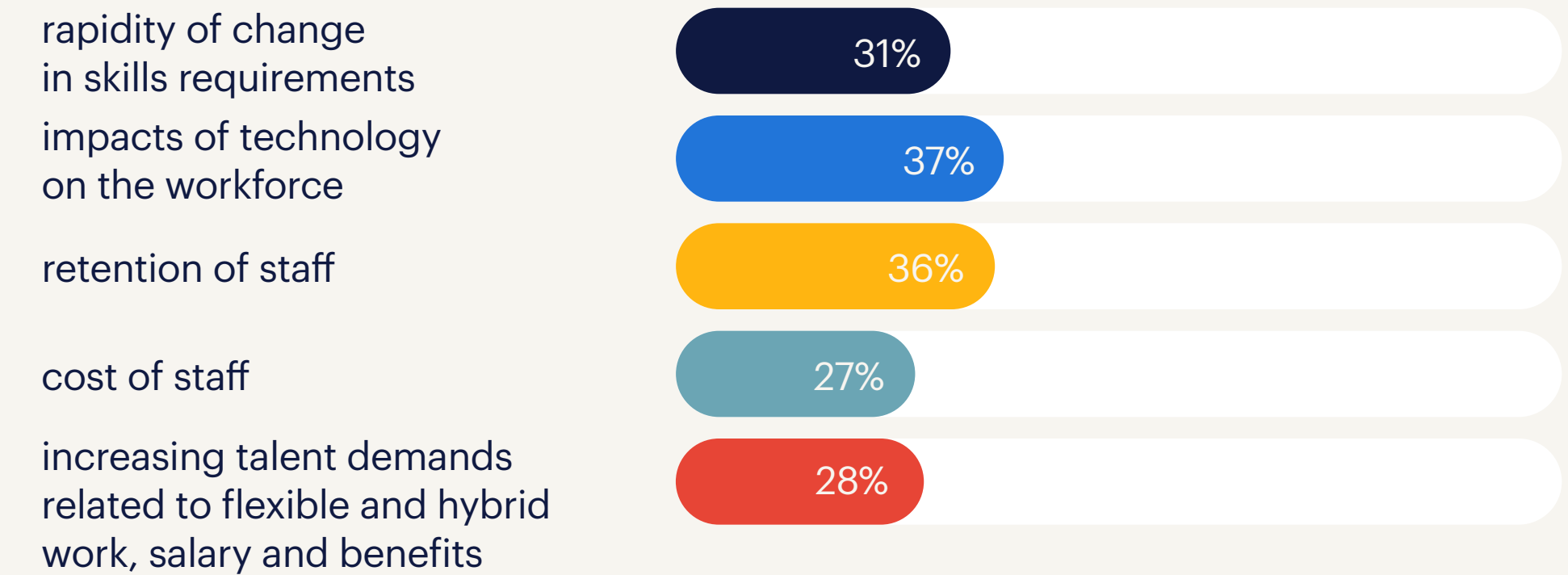
in your view, how will the new zealand economy perform in 2024?



talent management issues.

The top three talent concerns keeping hiring managers awake at night are the impacts of technology on the workforce (37%), staff retention (36%), and rapid shifts in skill requirements (31%). These concerns highlight the evolving nature of the contemporary employment landscape. The impact of technology underscores the need for upskilling and reskilling initiatives. The emphasis on the retention of staff and the cost of staff suggests a possible tightening in the labour market, potentially pushing companies to review and enhance their employer value propositions.

what are the top three talent issues keeping you awake at night?



hiring needs and talent acquisition.

A combined 69% of companies anticipate increasing their hiring needs in 2024. The increased demand signals a prospective upswing in economic activity and expansion of businesses.

However, with 30% finding it difficult to fill roles in human resources and 29% in accounting and finance, companies might face bottlenecks in sustaining growth momentum, necessitating innovative recruitment strategies and potentially increased reliance on external recruitment agencies.

To attract and retain talent in a competitive market, organisations must offer competitive salaries, benefits, and career development opportunities.

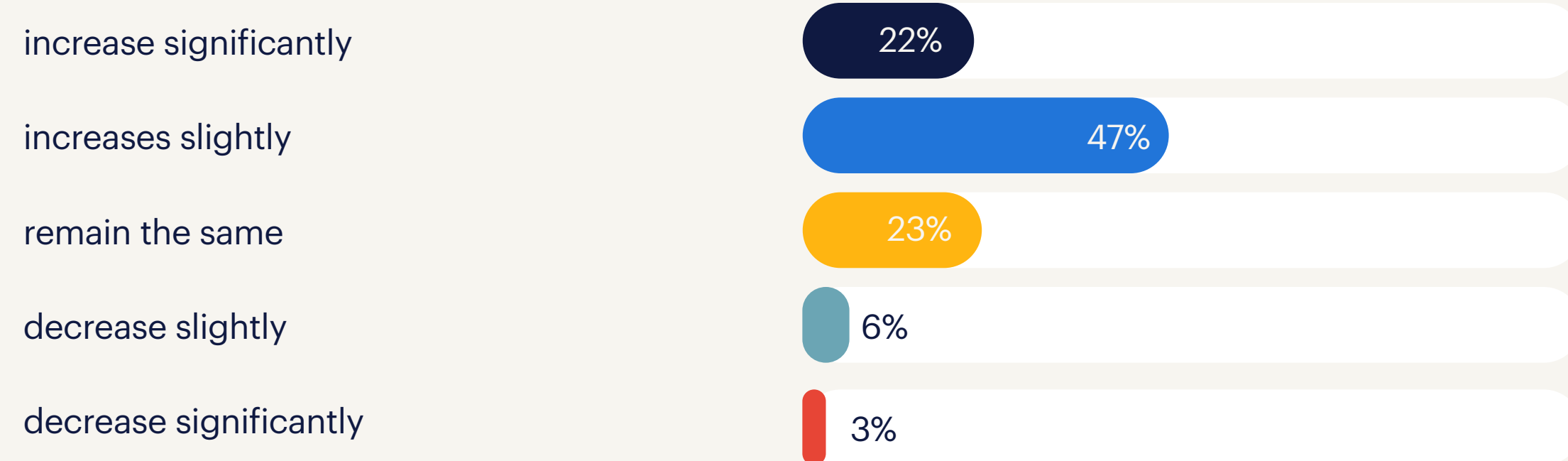


skill requirements.

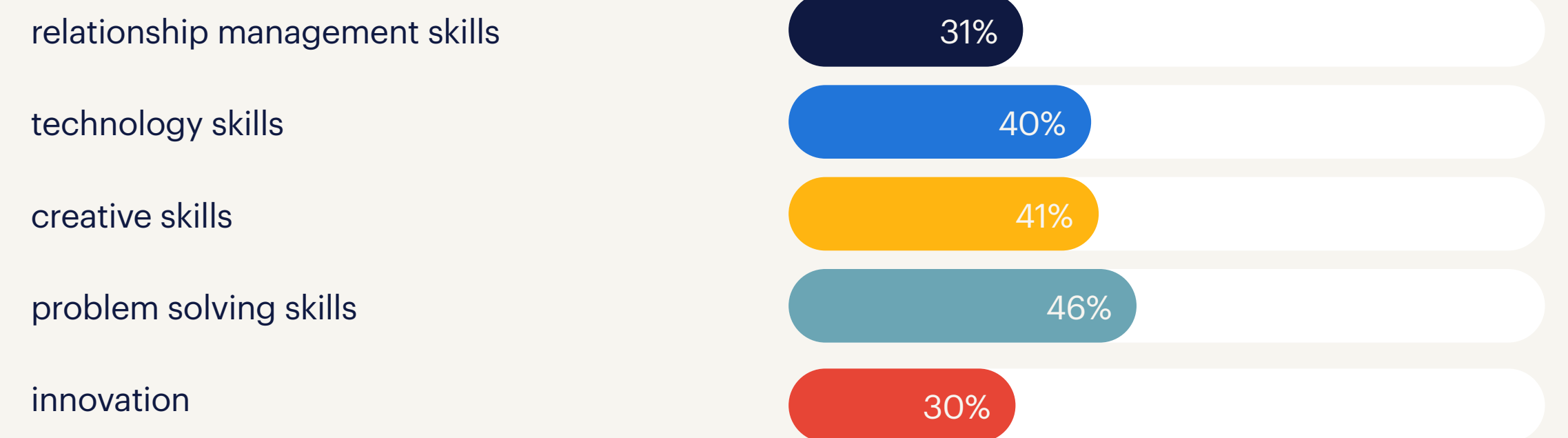
Human resources (30%), accounting and finance (29%), and sales and relationship management (28%) emerge as the most difficult-to-fill job roles. These roles are often essential for business operations and growth. The increasing importance of problem-solving (46%), creative (41%), and technology skills (40%) highlights a shift towards more cognitive and tech-centric roles, necessitating a re-evaluation of hiring, learning and development frameworks. The significance placed on relationship management and innovation underscores the evolving expectations from employees to contribute towards organisational agility, adaptability, and customer-centricity. Organisations need to invest in training and development programs to nurture these skills among their workforce. A focus on technology skills is vital to navigate the digital transformation.



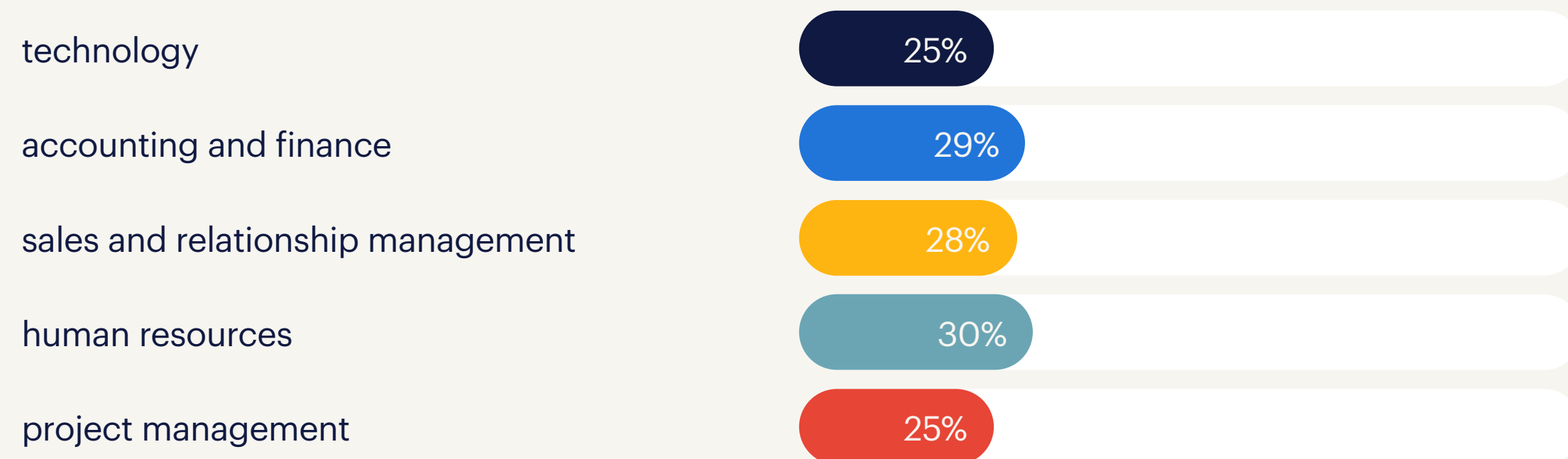
how do you anticipate your company's hiring needs changing in 2024?



what skills or qualifications are becoming more critical for your organisation in 2024?



which job roles are you finding most difficult to fill currently?



flexible work and remote management.

With the prevailing acceptance of flexible work arrangements and a considerable number of companies contemplating more deliberate office returns (49%), it's crucial to align organisational strategies with evolving workforce preferences. Challenges in maintaining staff productivity (54%), culture (36%), and leadership skills and capability (45%) in remote/hybrid models accentuate the need for developing comprehensive managerial competencies and robust communication infrastructures.

yes (more days in the office)

49%

no

16%

we're happy with our current flexible work arrangements

36%

staff connection and culture

36%

staff productivity

54%

staff expectations

38%

leadership skills and capability

45%

impact on customer service

28%

is your company looking at ways to bring staff back into the office more deliberately in 2024?

what challenges will or does your organisation face in managing a remote or hybrid workforce now and in 2024?

technology and AI impact.

The impact of AI and technology transformation is evident, with organisations preparing by hiring new skills (63%) and reskilling impacted employees (48%). AI is expected to significantly modify the job landscape by impacting, replacing, and even creating roles. Organisations must stay ahead of the curve by continually assessing technological trends and aligning their workforce strategies accordingly.

replacing entire roles

25%

impacting some roles

45%

creating new roles

18%

no impact at this stage

12%

what in your view will be the single biggest impact AI (generative, machine learning, large language, automation) will have on job roles in your organisation?

reskilling impacted employees

48%

hiring new skills

63%

divesting some skills

33%

outsourcing capabilities

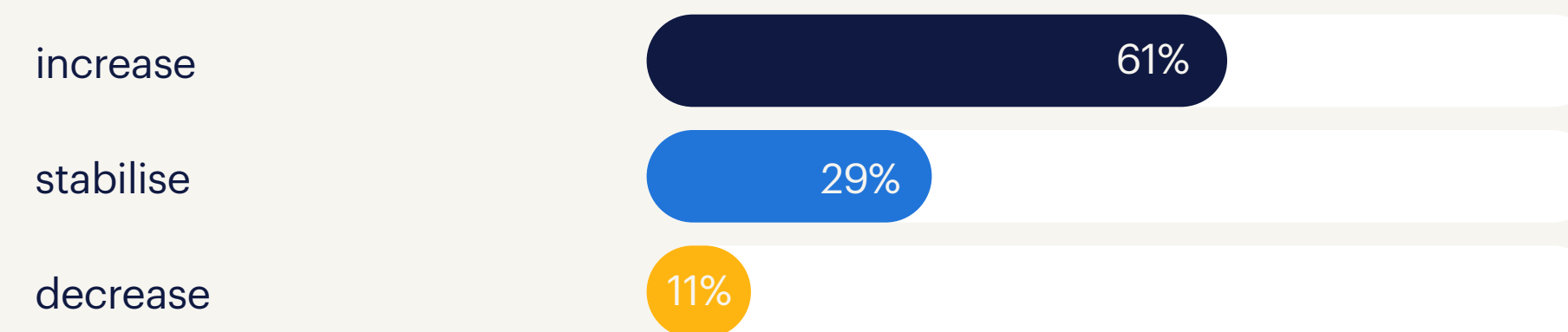
27%

how is your organisation preparing for the impact on skills required, as a consequence of technology transformation?

wage inflation and talent cost.

The anticipated increase in talent cost by 61% of respondents necessitates proactive budgeting and financial planning. Companies may need to explore optimised compensation structures and performance-linked incentives to balance employee satisfaction with organisational sustainability.

how will the cost of talent (wage inflation) change in 2024?



availability of talent.

An improving talent availability, as observed by 47% of respondents, may alleviate some recruitment challenges but necessitates sustained employer branding efforts to attract top talents amidst intensifying competition.

The New Zealand employment market in 2024 presents a landscape of both opportunities and challenges. Employers must remain agile, invest in skills development, and adapt to the evolving nature of work. The interplay of these multifaceted elements will be pivotal in shaping the resilience and competitiveness of New Zealand's employment ecosystem in the forthcoming years.

how do you see the availability of talent changing in 2024?

improve

47%

stabilise

38%

deteriorate

16%

top tips for talent.



our top 10 tips to successfully build and navigate your career in 2024.

- 1. Ensure values alignment:** ensure to align your values, passions and purpose with your job choices. Consider each job as a moment in time to learn and develop your career path.
- 2. Be open-minded:** be open to various work arrangements and opportunities. Explore industries and employers you might not have initially considered. New Zealand's vibrant business landscape offers numerous avenues for growth and development.
- 3. Sharpen soft skills:** focus on developing adaptability and potential for growth. Seek roles where your transferable skills and ability to learn quickly are highly valued.
- 4. Expand your network:** engage with professionals in your industry through online platforms. Networking can open doors to unexpected opportunities.
- 5. Invest in self-learning and upskilling:** take the initiative to invest in your own ongoing learning and development in order to stay informed of what is happening in the market and to stay competitive.
- 6. Be proactive:** don't rely solely on job advertisements, particularly in a softer market with reduced advertising activity. Be proactive in seeking opportunities by reaching out to organisations that align with your career goals. Put yourself out there, as speculative applications can open doors that might not be apparent through traditional job ads.
- 7. Focus on personal branding:** your online presence matters. Ensure that your online profiles and professional network portray you in the best possible light.
- 8. Be realistic:** the over-inflated salaries over the last 2-3 years are being corrected. Do your research to know what is fair and reasonable in the current market. In 2024, the market will be less candidate-led.
- 9. Embrace sustainability:** sustainability will touch virtually every aspect of every business in the future. Ensure you are well-read on sustainability trends and initiatives in order to keep at pace with the market. This could also be your key differentiator in 2024 and beyond.
- 10. Utilise your recruitment specialist:** build a strong relationship with a recruiter in your field of expertise. They will not only consider you for exciting opportunities in the future, but the wealth of knowledge and insight they provide could just be your competitive advantage.

top tips for people leaders.



our top 10 tips for successfully navigating the talent market in 2024.

- 1. Define your employer value proposition:** understand why individuals want to work for your organisation. Articulate your purpose, your team's culture, and build strong relationships within your workplace.
- 2. Embrace diversity:** foster diversity not only in terms of demographics but also in thought and skills. Embrace the advantages of cross-functional teams and diverse perspectives.
- 3. Demonstrate agility and proactive learning:** individuals must be adaptable, agile and know how to take control of their learning journey, staying up-to-date with industry changes. Read journals and periodicals about the key changes facing your industry or focus area. This is a good tip for jobseekers and business leaders. Organisations must continue to invest in learning and development for their people.
- 4. Adapt to remote work challenges:** invest in strategies and practices that help maintain team cohesion and a sense of belonging among remote employees.

Effective hybrid team management requires innovative approaches.
- 5. Explore AI and technology:** stay informed about AI's evolving impact on the workplace. Be open to adopting technology that enhances the employee experience and productivity.
- 6. Hire for the future:** focus on hiring for potential and adaptability, considering the future needs of the role. Look beyond existing skills and requirements and assess whether candidates can contribute to the organisation's long-term goals.
- 7. Prioritise talent retention and internal mobility:** offer improved work-life balance and robust health and wellbeing support to retain your top talent. The cost of turnover is significant for any business. And in a candidate-tight market, knowing the value and importance of being able to redeploy people into your organisation is essential. The investment in upskilling and reskilling of talent will help your organisation evolve and stay relevant.
- 8. Promote work-life balance and wellbeing:** foster a culture that encourages employees to prioritise their health and wellbeing.
- 9. Be open to meeting talent:** even if your budget or headcount is restricted and you are not actively hiring, be open to meeting potential talent and building a future pipeline.
- 10. Partner with recruitment consultants:** establish a true partnership with recruitment specialists. Provide them with deep insights into your business, strategy, and employer value proposition for a better understanding of your hiring needs. They are your guides and source of knowledge, providing invaluable insights, advice, and frameworks to navigate the ever-evolving job market effectively.

about the survey.

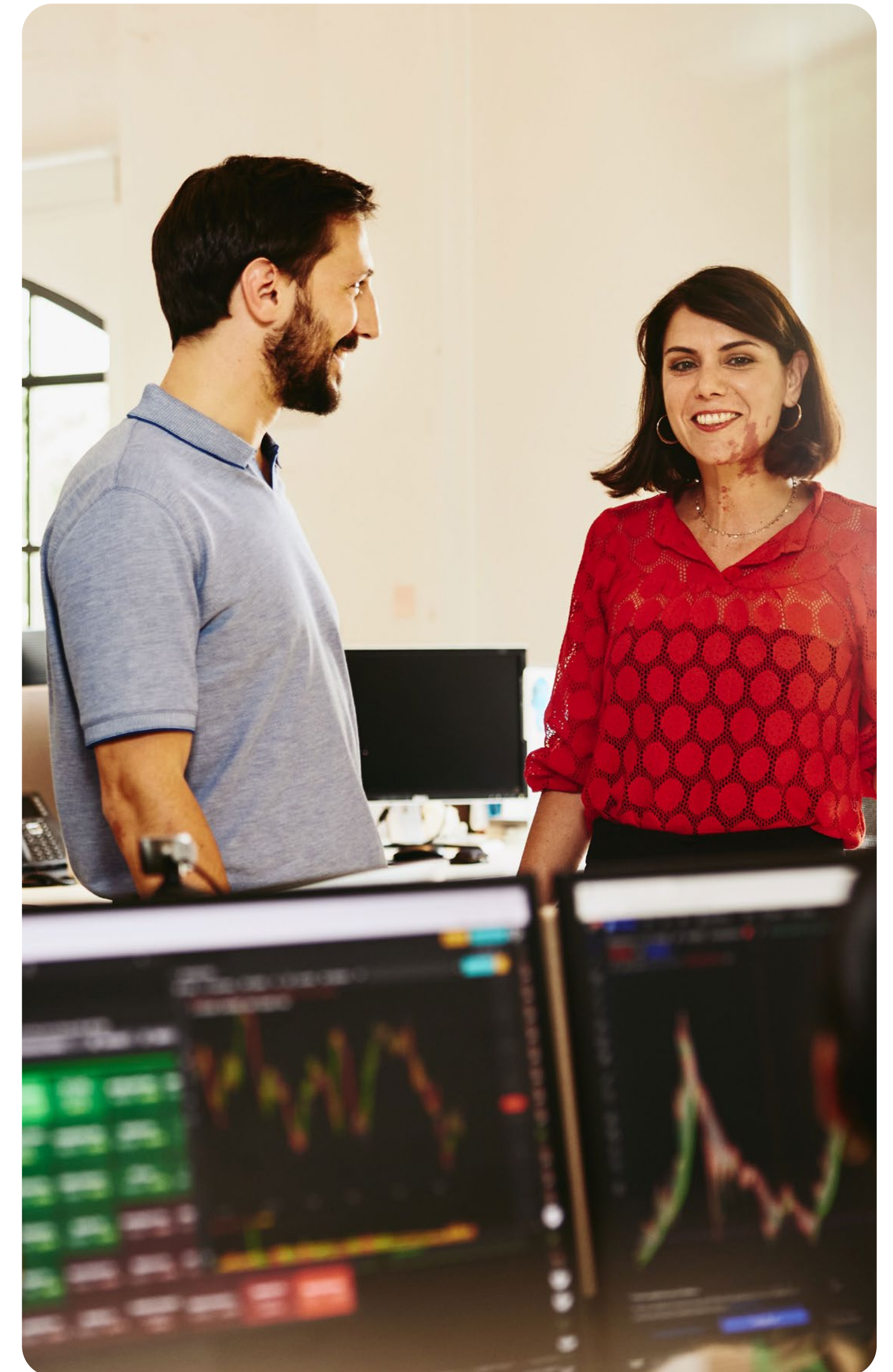


The 2024 Employment Outlook Survey conducted by Randstad in September 2023 utilised a structured questionnaire to garner insights from 200 business leaders across New Zealand regarding their outlook on the job market for the upcoming year. The sample of business leaders was diverse, representing various industries and sectors, to ensure the findings reflect the broader business community's sentiments.

The results derived from the survey are inherently based on the perceptions and anticipations of the respondents, providing a qualitative snapshot of the prevailing sentiments about the employment outlook within the New Zealand business community.

It is crucial to interpret these findings in light of the fact they are reflective of the participants' perspectives and may not be indicative of actual future developments in the job market.

The insights and advice provided as part of this report can guide organisations in aligning their strategies with market expectations to ensure they thrive in a dynamic and competitive economic environment.



To discuss your talent needs in 2024, contact one of our specialist consultants [here](#).



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