

NEW ZEALAND
**EMPLOYMENT
MARKET REPORT 2024**

BUSINESS TRANSFORMATION

Business Transformation

The Market

In the area of business transformation, 2023 was a year of two contrasting halves. Spanning public and private sector organisations, this employment sector had a busy first half of the year with generous wages and salaries negotiated due to the labour shortage and cost of living. Then, in the second half of the year, there was an about-face in the lead-up to the election as employers slowed hiring activity from August onwards, with hiring of contractors or permanent staff kept to a minimum to control costs and in the lead up to the election.

The incoming government made it clear it would be running the magnifying glass over costs in its ministries, and some of these departments started the cost-cutting pre-emptively in late 2023. After a deficit of available talent in 2022, candidate availability became better and better throughout 2023. There was a well-balanced volume of candidates and a good range of roles in the first half of the year. In the second half of the year, the market saw much higher levels of quality candidates competing for roles as many employers put hiring on hold.

Salaries and wages increased in the first half of 2023 but returned to normal levels in the second half of the year. Up to the mid-year point, many organisations were hiring permanent employees at circa 115% of the salary band due to upward pressure from quality candidates demanding higher pay to keep up with inflation and increasing cost of living pressures. However, this trend subsided in the second half of the year, albeit with a lag in recalibration of candidate expectations.



33%

more likely for Business Transformation contractors to accept a new job solely because of the salary/remuneration

Employers

In 2023, employers placed greater emphasis on soft skills than in prior years. Job seekers who demonstrated expertise in stakeholder engagement and relationship building were in high demand. Candidates who could initiate and execute projects, communicate efficiently and effectively, and drive results were sought after.

At the same time, there was ongoing demand for those experienced and qualified in change management. The skills for these roles were frequently included in a candidates' resumes, but hiring managers wanted to see that candidates had the most relevant qualifications for these positions (PROSCI certification, for example). Employers offered training and upskilling for permanent candidates with most, but not all, of the skills.

Last year, employers were prepared to pay top rates for skilled workers that they needed 'yesterday', and they were also open to thinking creatively when it came to offering non-financial benefits. Flexible start or finish times were attractive, and considerations of four-day work weeks when the budget wouldn't allow for full-time employment are just a couple of examples of employers getting creative to attract the right talent.

As flexible working becomes entrenched in day-to-day employment life, increasing numbers of businesses have stipulated that staff are in the office certain days a week. The most common arrangement is three days in the office and two days from home, though senior candidates tend to have more leeway.

Top types of flexible working offered by Business Transformation Employers



1st

Hybrid and/or remote working



2nd

Staggered or adjusted hours



3rd

Condensed work week



Business Transformation

Job Seekers

During the latter half of 2023, the mobility of the business transformation workforce decreased compared to previous years. Usually, contractors tend to switch from one role to another for better opportunities, pay, or more interesting work or projects. However, in the mid-year, most in a well-paid role preferred to stay in their current position. As a result, those whose contracts were about to end in the latter part of 2023 started exploring the possibility of accepting fixed-term or permanent roles as the availability of contractor roles became scarce.

In the second half of 2023, permanent job seekers accustomed to changing jobs every couple of years for higher salaries found fewer job opportunities were available. This situation made job seekers more receptive to proactive approaches. For permanent job seekers, working for an organisation that actively prioritised their growth and learning was increasingly attractive.

For contractors, the most important factor when job seeking was the rates they were paid, followed by good management, how interesting the role was, and flexible working options.

Top reasons Business Transformation Job Seekers are happy with their workplace



1st
Challenging or interesting work



2nd
Management style and/or team environment



3rd
Company values and/or workplace culture

The Year Ahead

As we enter 2024, there are some signs of growth in the business transformation sector with new projects emerging in some areas. Many however are eagerly awaiting more insight into the coalition government's plans for future projects.

New Zealand's economy is expected to stabilise and recover, but it's difficult to predict the timeframe with any certainty. Salaries are expected to remain stable this year after the ups and downs of 2023, but we are unlikely to experience the rapid growth we saw in 2021/22. While some skill shortages will undoubtedly still occur, and the fight for talent will continue, it will be a fight for the best talent available.



76%
of Business Transformation Employers expect salary levels to increase in 2024



88%
of Business Transformation Employers plan on hiring in 2024

Business Transformation Salary Guide

ROLE	PERMANENT ROLES <i>(salary range in NZD \$'000s)</i>				CONTRACTOR ROLES <i>(NZD hourly rate)</i>			
	AUCKLAND		WELLINGTON		AUCKLAND		WELLINGTON	
	Low	High	Low	High	Low	High	Low	High
Change Manager	130	210	125	200	130	200	130	200
Programme Director	180	250	180	260	150	220	150	220
Programme Manager	135	220	140	220	130	200	130	200
Senior Programme Advisor	95	135	95	135	100	130	100	130
Programme Advisor	85	120	85	120	80	120	80	120
Programme Coordinator	85	115	85	115	70	120	70	120
Senior Project Manager	125	170	125	165	120	155	120	155
Project Manager	110	140	105	140	100	130	100	130
Project Coordinator	75	115	70	115	60	110	60	110
Senior Business Analyst	120	170	115	160	110	150	110	150
Business Analyst	80	130	70	130	70	105	70	105



About Madison

Madison was established in 1998 and is part of the Accordant Group, the only New Zealand recruitment company listed on the NZX. We operate across seven key locations in Auckland, Hamilton, Tauranga, Wairarapa, Manawatū-Whanganui, Wellington and Christchurch.

What We Do

Madison works across almost all industry sectors, with clients that range from small start-ups to global blue-chip corporates, large public sector and not-for-profit organisations. Our track record includes full-service recruitment covering temporary, permanent and contractor needs across the following sectors:

- Accounting, Banking, Finance and Insurance
- Business Support and Administration
- Business Transformation, Programme and Project Management
- Contact Centre and Customer Service
- Engineering
- Government and Policy
- Human Resources and Recruitment
- Industrial
- Marketing and Communications
- Procurement and Supply Chain
- Project and Volume
- Property and Construction
- Sales and Relationship Management

Within these disciplines, we recruit for the full range of positions from entry-level through to executive appointments. Depending on our clients' needs, our recruiters will deliver an end-to-end solution or unbundle the recruitment process to supplement the expertise and resources you have in your organisation.

How We Do It

Because we have a broad focus, but we are staffed by specialist recruitment professionals, we're able to offer the combined benefits of breadth, reach and personalised, expert service. Collaboration, sharing, building a real relationship and true partnerships are what set us apart. Not only do we understand New Zealand, but we have been specifically built and grown for this market.

Support & Partnership

We offer specialist consulting services to support our client organisations' talent lifecycles. Some of the key services we deliver via workshop, training or coaching include:

- Talent development
- Assessment centre design
- Outplacement services
- Psychometric profiling & skills testing
- High performance profiling

The Accordant Group

Delivering recruitment, resourcing and people solutions across New Zealand

Madison is part of the Accordant Group, which is the only staffing provider listed on the NZX. The Group comprises five businesses: Absolute IT, AWF, Hobson Leavy, JacksonStone & Partners and Madison Recruitment. Accordant Group's capability spans all levels and aspects of commercial and industrial recruitment services, including permanent roles, temporary assignments and contractor placements. In addition to this, in 2019 Accordant established The Work Collective, a social employment initiative.

To find out more, visit accordant.nz

Absolute IT is a specialist agency that operates solely in the tech and digital market, recruiting permanent and contract IT professionals.

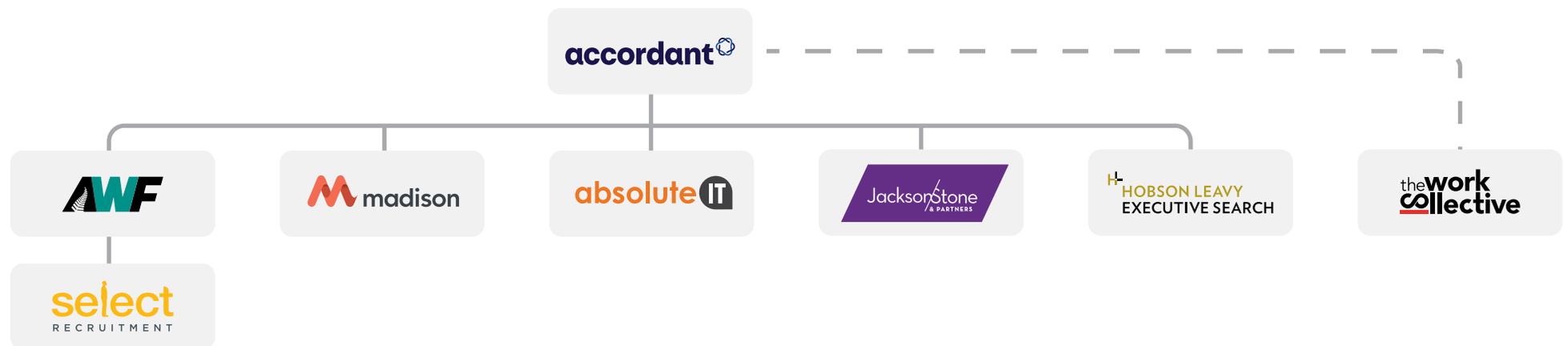
AWF provides labour hire and recruitment services from 21 branches across the country including Select Recruitment in Dunedin.

Hobson Leavy is a retained executive search firm with an extensive track record in both the public and private sectors, successfully appointing some of New Zealand's most senior leaders at Board, CEO and Executive level.

JacksonStone & Partners is one of the most experienced executive search, recruitment and contracting agencies in New Zealand, covering all disciplines up to chief executive and board appointments across the private, public and not-for-profit sectors.

Madison recruits temporary, contract and permanent staff for a broad range of clients and industries in the commercial and government sectors.

The Work Collective, our social employment initiative, is supported by each of our businesses and focuses on helping people with barriers to employment find meaningful work opportunities.



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To find out more about Madison and our services,
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