



MOTE

HUMAN RESOURCES

# 6 TRENDS THAT WILL SHAPE IT RECRUITMENT IN 2023

When we were preparing IT recruitment trends and predictions for 2022, we could not have foreseen how the world would turn upside down with a war waged on Europe's doorstep.

The economic situation in Europe has become strained, to put it mildly. Power and money dynamics have shifted in many industries, and financial stability and investment have quickly been substituted by caution and austerity.

Despite turbulent events worldwide and shaky economic situations in many countries, IT is still among the most demanded industries and growing worldwide

The global IT market projected to grow by

**\$8179.48 billion**  
in 2022

**8.2%**

**\$8852.41 billion**  
in 2023

**11%**↑

by 2029 IT employment is projected to grow much faster than the average for all occupations.

Russia and Belarus still are countries with highly regarded tech talent pool, but since February 2022, Western companies and tech recruitment agencies have substantially reduced the IT talent sourcing in these countries, and many IT specialists have already left.

Economic sanctions and supply chain disruptions have affected many global markets, causing a surge in commodity prices and record-high inflation.

Candidates now expect not only higher salaries but also a new level of work flexibility. Having tasted the benefits of remote work, the post-pandemic time workers are no longer willing to give it up entirely. As a result, hybrid work is here to stay – even in industries that weren't pioneers of working from home.

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*Inflation is putting pressure on companies to raise salaries. For now, the raises aren't able to keep up with the inflation, even though IT salaries have been steadily growing for many years.*

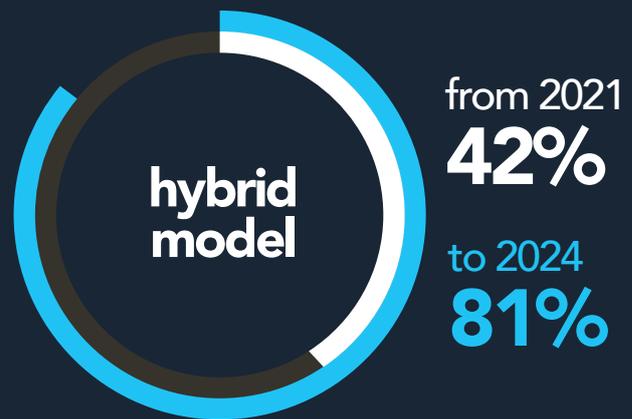
**Maris Tepers**, CEO of MateHR

What other trends surfaced last year and will steer the IT recruitment ship throughout 2023? As a tech recruitment agency with a vast network of local tech recruiters in Europe and beyond, we've distilled our observations and data into six main trends that are set to shape the IT recruitment scene for the next 12 months.

# TREND 1

## EMPLOYERS PREFER HYBRID TO REMOTE; IT PROFESSIONALS DISAGREE

Remote and hybrid work formats are no longer an optional perk – today, candidates expect flexible work options as standard when they apply for jobs. Companies must provide such flexibility to attract and keep the best talent.



Most **IT companies still prefer their employees – even the remote ones – to be located in the same region**, if not the same city as their office. This strategy makes it easier to assemble the team for occasional comprehensive meetings or team-building events.

Meanwhile, **IT professionals prefer remote positions.** Last spring, companies such as Google and Apple began requiring employees to return to offices on a hybrid schedule and faced a **controversial reaction** from their staff. This signaled a general sentiment among IT workers that are now used to working remotely – and **prefer things to stay that way.**

“80-90% of our clients are looking for people who could meet face-to-face once or twice a month at the very least. From our daily work, we see only 10-20% of IT companies looking for fully remote candidates who are up to meeting only once or twice per year.”

**Maris Tepers**, CEO of MateHR

When it comes to working on-site full-time, the resistance among workers is even more pronounced. ADP Research Institute's report ["People at Work 2022: A Global Workforce View"](#) found that two-thirds of workers (64%) have considered (or would consider) looking for a new job if their employer requested them back in the office full-time. Resistance to returning to the office full-time is even more pronounced among 18-to 24-year-olds (71%).

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*Based on our data, over 50% of job offer rejections last year stated hybrid work or on-site work as the main reason, regardless of the offered position or salary.*

**Marija Evita Tauriņa,**  
Head of International Talent Acquisition

## TREND 2

### INTERNATIONAL HIRING WITH RELOCATION IS BACK

In 2020 and 2021, relocation for work slowed down dramatically, almost coming to a full stop during the darkest times of the pandemic. Since the second half of 2022, global IT recruiters have witnessed the comeback of international hiring with relocation, which is growing in momentum.

Many companies need to restart international hiring and employee relocation processes that were practically abandoned for two years; therefore, the changes are happening gradually. However, we expect that in 2023 **hiring with relocation will regain its place in the international IT recruitment scene.**

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*The slow return to relocating employees for work isn't a mass movement yet, but we see many employers discussing this option for 2023. Most businesses stick to hybrid work and aren't considering switching their teams to 100% remote work. Many companies still find it crucial to be able to meet their employees face-to-face at least once per month.*

**Maris Tepers,** CEO of MateHR

# TREND 3

## OUTSOURCING IT TALENT ABROAD WITHOUT AN EMPLOYMENT CONTRACT

There is a globally growing demand for options that allow to **“hire” IT professionals in countries where companies don’t have their own branches.** The two most common ways to make this happen are via B2B contracts or via companies offering global employment services.



### B2B CONTRACTS

Hiring IT professionals through B2B contracts is a growing trend across Europe, with such contracts being common in Poland, Romania, and elsewhere. Based on data from our IT recruitment agency's network, the increase in such employment types during the past two years is 200%.

B2B contractors are self-employed and usually receive a higher salary but lower social benefits, as the employer does not pay taxes and insurance for them. That said, it's increasingly more common for companies to perceive B2B contractors as full-fledged team members, awarding them different company perks like extra days off, educational budgets, and wellness initiatives (except health insurance).



### GLOBAL EMPLOYMENT SERVICES

Global employment companies help businesses quickly hire team members in a new country, handling the legal, tax, and HR processes in their place. Such services help to get great talents on board much quicker and eliminate bureaucratic obstacles.

Freed of the need to set up their own entity or subsidiary, many IT companies find it easier to expand and carry out projects across Europe and beyond.



# TREND 4

## MENTAL HEALTH AND WORK-LIFE BALANCE TAKING CENTER STAGE

Satisfied employees are no longer a pleasant side-effect to company operations – they are a competitive advantage for tech companies looking to hire the best talent. For that reason, mental health and work-life balance-centered employee benefits will increasingly be prioritized by company boards and HR departments.

After two years of pandemic life, anxiety and depression are at an all-time high — a recent study found that **more than 40%** of employees suffer from burnout and battle exhaustion at work due to a continuous need to adjust to a new reality.

What steps will tech companies be taking to improve work-life balance and show care for the mental health of their staff? Perks like flexible schedules, mental health-related days off, and company-paid therapy sessions are becoming mainstream. Some companies go above and beyond, and their efforts pay off when attracting the best talent.

**Adobe**, for example, offers days off to care for family members or to deal with difficulties related to the war in Ukraine. Akamai has a dedicated **Corporate Wellness Program Manager** who consults and empowers employees to care for their physical and mental health.

Other advanced mental-health supporting initiatives include:

- **Prolonger parental leave (or a family member care leave)**
- **Extra days off for mental wellbeing**
- **Mindfulness or meditation training (e.g.covering the cost of online support tools to manage stress better)**
- **Creating opportunities for employees to share past or present mental health issues**
- **Matching donations and volunteer time**

# TREND 5

## RECRUITMENT PROCESS IS BECOMING SHORTER

Work assignments used to be the standard tactic used to assess the skills of IT candidates, with around 70% of tech companies assigning homework to candidates in the recruitment process, according to MateHR's data from 2021.

To gain a foothold in the search for tech talent in 2023, some companies will be offering to pay for work assignments. Others will increasingly choose to ditch work assignments altogether, sticking to tech interviews, live coding (pair programming), tests, etc., thus speeding up the recruitment process.

Today **work assignments are becoming less frequent, and when they are assigned, they are less time-consuming** than before.



*A few years ago, candidates needed to spend as much as a whole workday to complete an assignment. Now we increasingly see tasks that take up only an hour of the candidate's time.*

**Maris Tepers**, CEO of MateHR



# TREND 6

## EMPLOYER BRANDING GROWING IN IMPORTANCE

Employer branding used to be a neglected aspect of recruitment until companies started realizing how crucial developing their brand is in attracting amazing talent – especially in competitive job markets like IT. Recruiters, too, have understood the importance of thoroughly promoting the company brand when attracting talent for their clients; therefore, **employer branding is set to see a massive boost** in the upcoming year.

86%

of job seekers study customer reviews and company ratings before applying for a particular company.

92%

of employees would consider changing jobs with the same salary if the opportunity was with a company with an excellent reputation.

“Recruitment marketing” is a different concept from the regular marketing activities of a brand, but both are equally important. Sometimes both these aspects can have a very different reputation in one company when, for example, a well-known consumer brand gets highlighted in the media as a bad employer.

IT candidates can afford to be picky and choose to associate themselves with reputable companies. They not only research a company’s image and reputation before applying for a position; they look for workplaces that match their values and morals. Companies that emphasize their mission and culture in job adverts are more likely to succeed in attracting relevant and qualified IT talent while reducing time-to-fill.

## FINAL WORDS

In addition to the trends we've mentioned, 2023 will continue witnessing a shift in global hiring dynamics. As the IT industry steadily **grows in all regions and continents**, many Western companies will be looking for cheaper workforce in other regions. While not all companies are open to hiring fully remote employees (see Trend 1), we will surely see an increase in international recruitment, especially at the regional level.

2023 is bound to be a busy and challenging year for IT companies and global IT recruiters. The battle for the best IT talent will urge companies to accommodate more and more candidates' needs and develop new tactics for attracting talent.

For example, candidates increasingly **use job search apps** and expect to apply for jobs via their mobile devices, so the recruitment processes must be mobile-optimized, including company career pages and job postings. Companies and tech recruitment partners that find the most attractive and quickest ways to captivate candidates will be writing IT recruitment success stories throughout 2023.



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🌐 [www.mate-hr.com](http://www.mate-hr.com)

✉️ [info@mate-hr.com](mailto:info@mate-hr.com)

🌐 LinkedIn