



\$206m

\$696



March 2023



INTERQUEST 



RDW 

evolve

 IQUAD



# Market Trends

# Employment outlook

## Confidence in making hiring and investment decisions increased

Employers' confidence in making hiring and investment decisions rose by 2% compared to the previous rolling quarter. At net: -28, this is the first increase in sentiment since December 2021-February 2022, albeit remaining in negative territory.

## Perm recruitment intentions remains positive

In November 2022-January 2023, employers' intentions to hire permanent staff in the short-term dropped by 1% to net: +10.

In this rolling quarter, medium-term hiring intentions for permanent staff rose by 2% to net: +17.

## Contingent employment demand rose most notably in public sector

In the three months to January 2023, employers' intentions to hire contingent staff in the short-term rose by another 1% to net: +8.

In this rolling quarter, medium-term hiring intentions for contingent staff also increased by another 2% to net: +10.

Source: Recruitment and Employment Confederation



# ONS - estimated job vacancies fell on the quarter

## -6.3%

Quarterly growth fell for the seventh consecutive period to negative **-6.3%** in November 2022 to January 2023.

---

## 1.1

In October to December 2022, the number of unemployed people per vacancy was at **1.1**, which is up from the previous quarter because of falls in the number of vacancies in recent periods.

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# 1,134,000

A decrease of 76,000  
from August to October 2022.



Nov



Jan

# Indeed UK: Job market still tight despite recession concerns



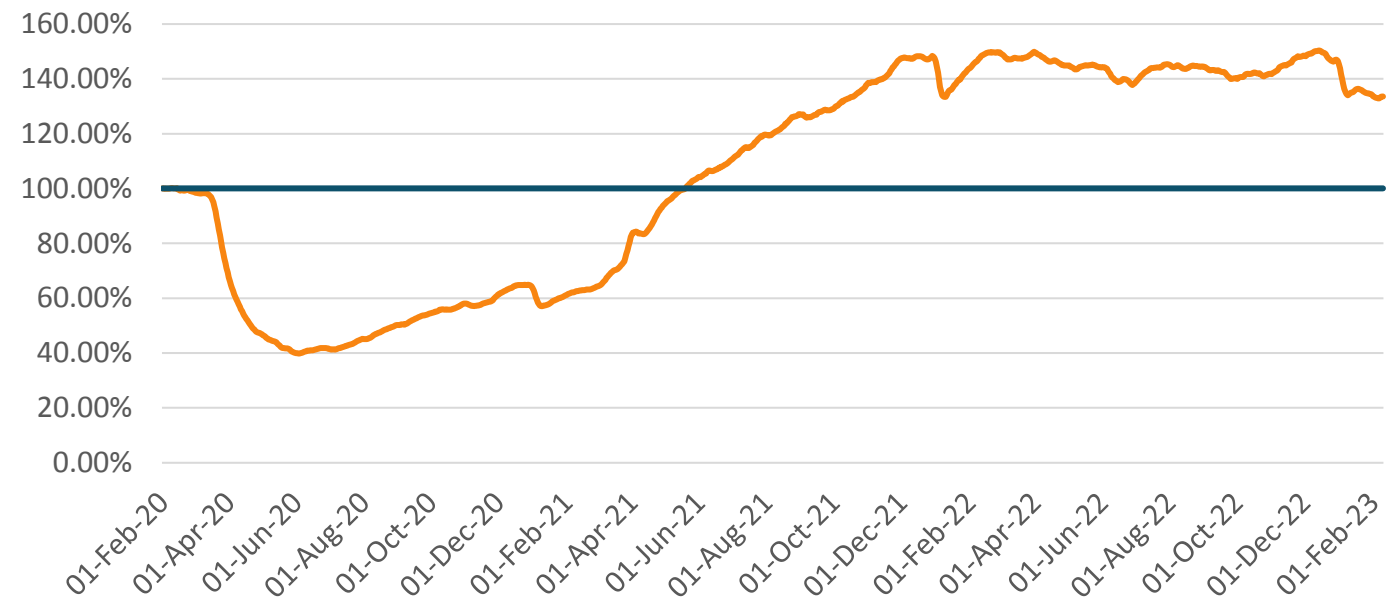
The market has cooled from last year's peaks, but remains tight, with job postings still **33%** above pre-pandemic levels.

Older workers are beginning to return from the sidelines, but aren't yet seeking jobs with particular urgency.

Though pay growth remains strong, workers continue to see wages squeezed by inflation.

## Job postings on Indeed UK

% change in job postings since 01 Feb 2020, seasonally adjusted, to 10 Feb 2023



Source: Indeed UK \*Indeed re-released their Job Postings Tracker as the Job Postings Index. The level (0 on the legacy tracker) is now set to 100 on February 1, 2020.

# How candidates rank their priorities



**1. Compensation** - Excellent compensation and benefits



**2. Balance** - Organisational support to balance work/ personal life



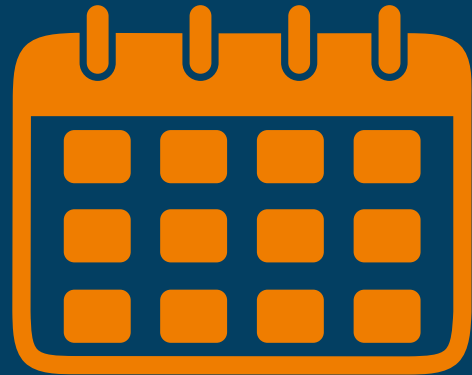
**3. Flexibility** - Flexible work arrangements (when and where you work)



**4. Upskilling** - Opportunities to learn new, highly desired skills



# 4 day week trial results UK – Business outcomes



**92% of organisations are continuing their 4 day week**

**92%** of organisations are continuing with a 4 day week. Of the five companies who are not, two have opted to extend their trials and three are pausing for the moment.

Companies rated their overall experience of the trial an **8.3/10**.

Business performance and productivity both scored an average of **7.5/10** on two separate scales.

Revenue rose by **1.4%** on average over the trial (weighted by company size across respondent organisations).

When compared to a similar period from previous years, organisations reported revenue increases of **35%**, on average.

The number of staff leaving fell by **57%** over the trial period.

# 4 day week trial results UK – Employee outcomes



**90% definitely want to continue their 4 day week**

**90%** of employees said they definitely want to continue on a 4 day week, with no one saying they definitely don't want to continue.

**55%** reported an increase in their ability at work.

**15%** said that no amount of money would make them accept a five-day schedule at their next job.



# 4 day week trial results UK – Health and well-being



**71% reduced levels of burnout**

**39%** were less stressed.

**43%** felt an improvement in mental health.

**54%** said they felt a reduction in negative emotions.

**37%** of employees saw improvements in physical health.

**46%** reported a reduction in fatigue.

**40%** saw a reduction in sleep difficulties.

# 4 day week trial results UK – Family and household life



**73% greater satisfaction  
with their time**

**73%** of workers said they had greater satisfaction with their time.

**60%** found an increased ability to combine paid work with care responsibilities

**62%** reported it was easier to combine work with social life

The time men spent looking after children increased by more than double that of women (**27%** to **13%**).

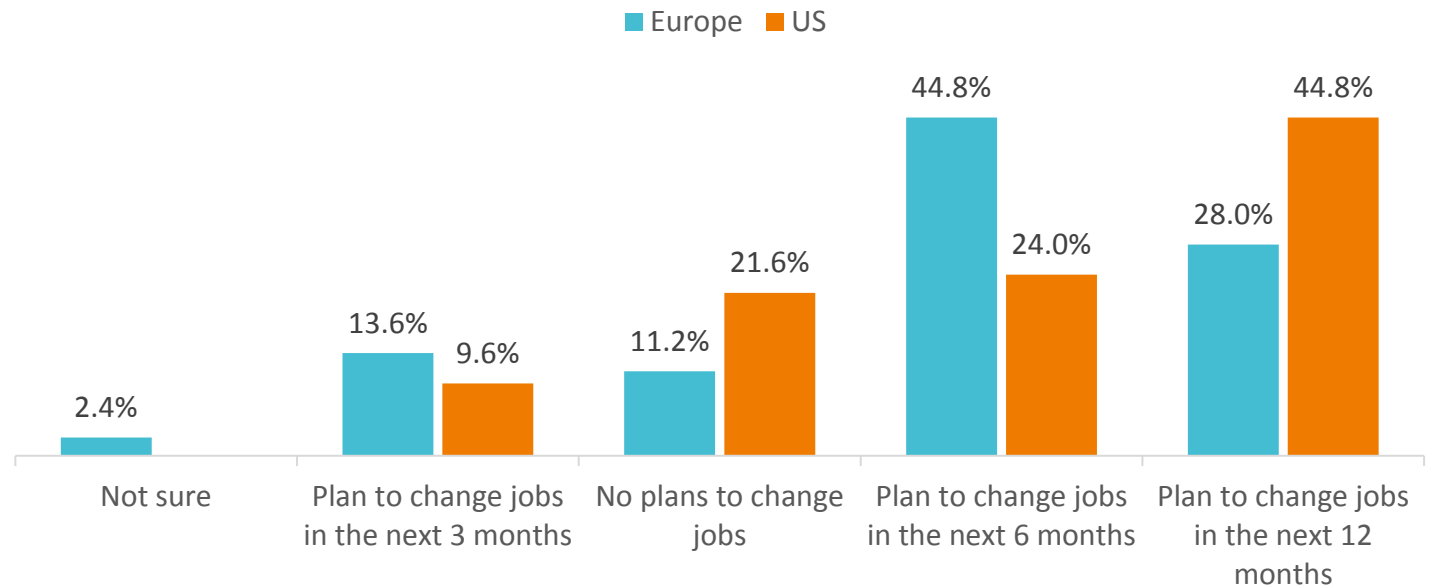


# 4 in 5 employees plan to switch jobs in the next 12 months

**86%** of EU professionals — and **76%** of their US peers — plan to hand in their notice in the next 12 months. That's according to a survey of 750 professionals — mostly in IT and tech — across companies in the US and Europe.

Leapsome's survey, conducted in November 2022, found that a big portion of European workers plan to switch roles within the next 6 months, while US workers plan to switch jobs in the next 12 months.

**The majority of European workers plan to quit their jobs in the next 6 months**  
Survey of 750 professionals in US and European companies of 500 to 5,000 employees



# What are the primary reasons for quitting?



1. Unfair performance reviews
2. Compensation and benefits
3. Work-life balance

Performance reviews are essential for keeping employees engaged as they act as "a gateway to career advancement opportunities" — but they must be **transparent and fair** says Kajetan von Armansperg, cofounder and co-CEO of Leapsome.

Top reasons to leave or stay on the current job





# The future world of work – fitting in and financing flexibility

**46%** of people think businesses must find ways to welcome this upcoming spike in contingent workers, helping them to enjoy parity with their permanent peers.

**70%** acknowledge the most skilled people will only work under conditions that favour them, companies must embrace flexibility in its many forms.

**65%** are well aware they need to play the 'flexibility game' to attract the right talent.

**15%** of businesses are actively implementing new organisational structures to enable more effective collaboration between permanent and temporary employees.

**62%** of companies think cost of expected salaries is a restriction to ambition.

**64%** of business respondents have increased salaries for their talent.

**54%** don't expect to be able to afford these inflated salaries for long.

Source: sonovate, The Future World of Work Report 2023





# Digital & Tech Trends

# Indeed UK job postings in digital & tech sectors



Hiring demand in all digital & tech categories fell compared to the previous month. Software Development job postings are now **-1.86%** below pre-pandemic levels, while others remain elevated.

Percentage-point change from 13 Jan to 10 Feb 2023

Software Development **-2.53%**

Marketing **-3.49%**

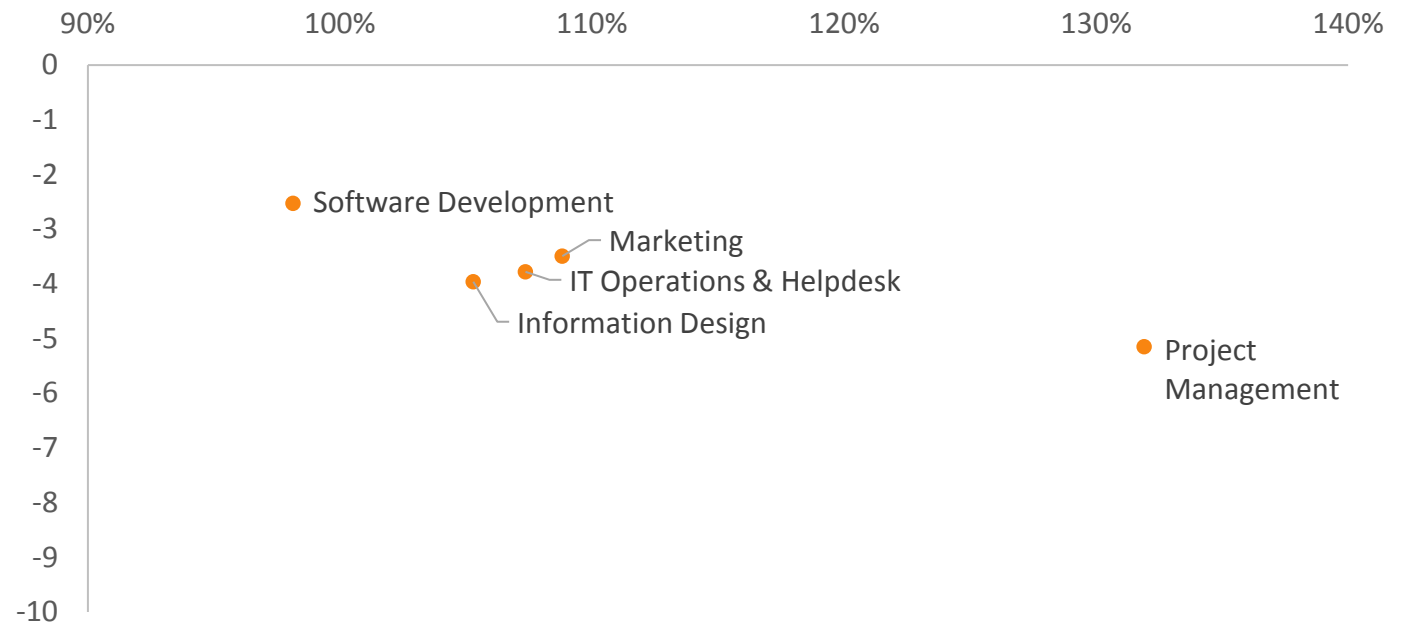
IT Operations & Helpdesk **-3.78%**

Information Design **-3.96%**

Project Management **-5.15%**

## Recent change vs. total change in UK job postings

% chg since 1 Feb, 2020 (x-axis), Ppt change since 13 Jan, 2023 (y-axis)



Scatter plot showing the percentage change in job postings from 1 Feb 2020 to 10 Feb 2023 on the horizontal axis and percentage-point change from 13 Jan to 10 Feb 2023 on the vertical axis.

Source: Indeed UK \*Indeed re-released their Job Postings Tracker as the Job Postings Index. The level (0 on the legacy tracker) is now set to 100 on February 1, 2020.





# Manchester tech firms raised a record £532m funding in 2022

# +50%

**+50%** increase on 2021's figures and more than major European cities including Rome, Brussels, Warsaw and Lisbon.

Manchester has emerged as one of the UK's dominant tech hubs in recent years.

Over **1600** startups and scaleups in the city, employing an estimated **60,000** people.

The biggest fundraise of 2022 came from electric vehicle charging company BE.EV, which raised **£110m** in October 2022 to expand its public EV charging infrastructure.



# North West tech and digital sectors 'broadly positive' for year ahead

# 48%

Business confidence in the North West rose +8 points during January to **48%**, the highest in the UK, according to the latest Business Barometer from Lloyds Bank Commercial Banking.

Booking.com recently moved into an **£80m** Manchester office and expect to hire more than **200** new members of staff in 2023. While Starling Bank is set to create **1,000** jobs in the area.

KPMG announced a **£5.5** million investment in its flagship Manchester office at One St Peter's Square.

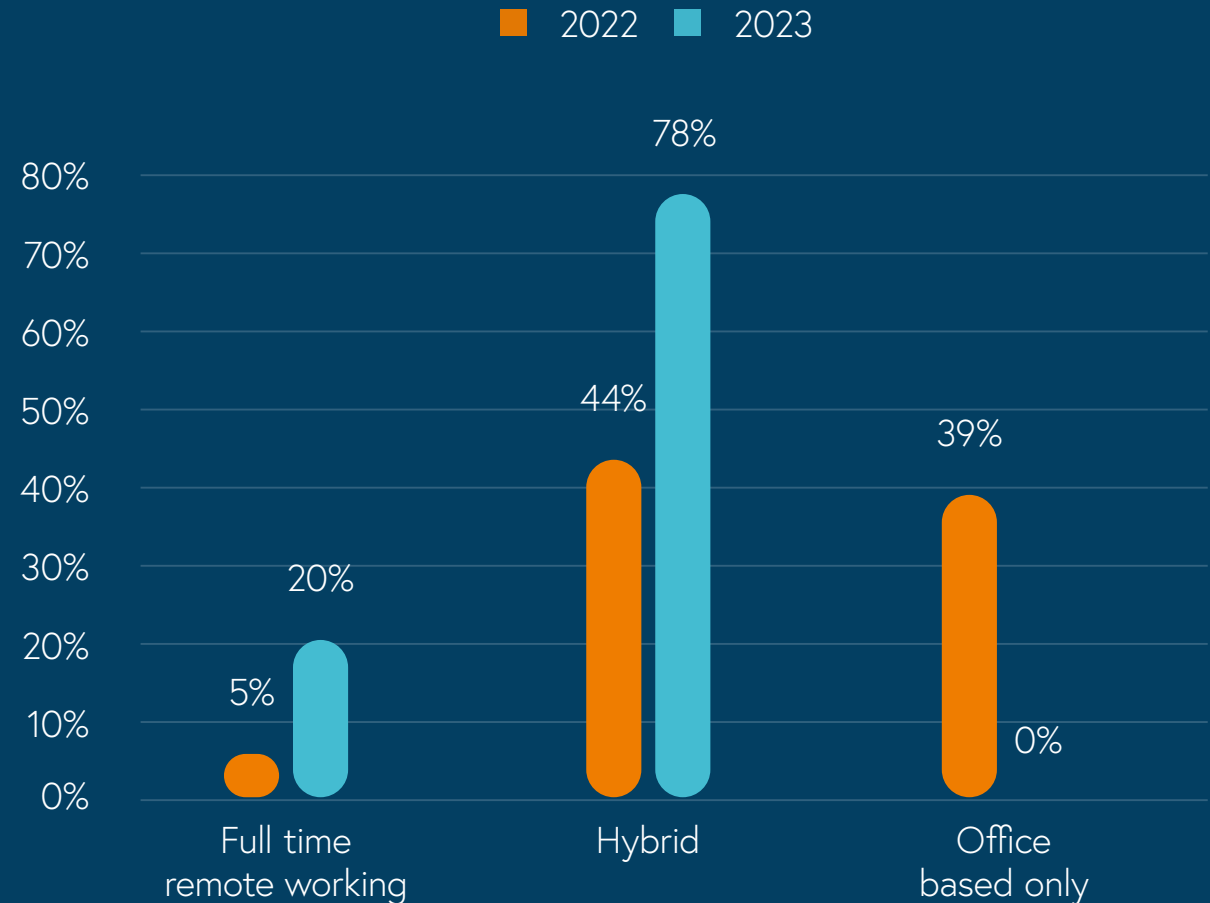
"Manchester's thriving tech center is a hive of activity and the city has really established its reputation on the world's stage as a leader in this field," said Jon Holt, CEO at KPMG UK.

# Ways of working - Manchester



In 2022 businesses estimated **60%** of their workforce would be hybrid within the following 12 months, this prediction has been surpassed at a reported **78%**.

This shows that hybrid working is firmly embedded into most organisations, with little sign of this changing in the coming years.



# Difficult vacancies to fill - Manchester



Developer  
(programming)



DevOps



Business  
Analysis

In the main, the majority of recruitment was for experienced talent.

Developer roles continue to be the hardest to fill with **50%** of businesses struggling.

In second place, is the DevOps role, which has also remained in the top five for several years, followed by Business Analyst.

This data provides proof that businesses of all sizes need to develop their early talent pipeline.

# Employee benefits - Manchester

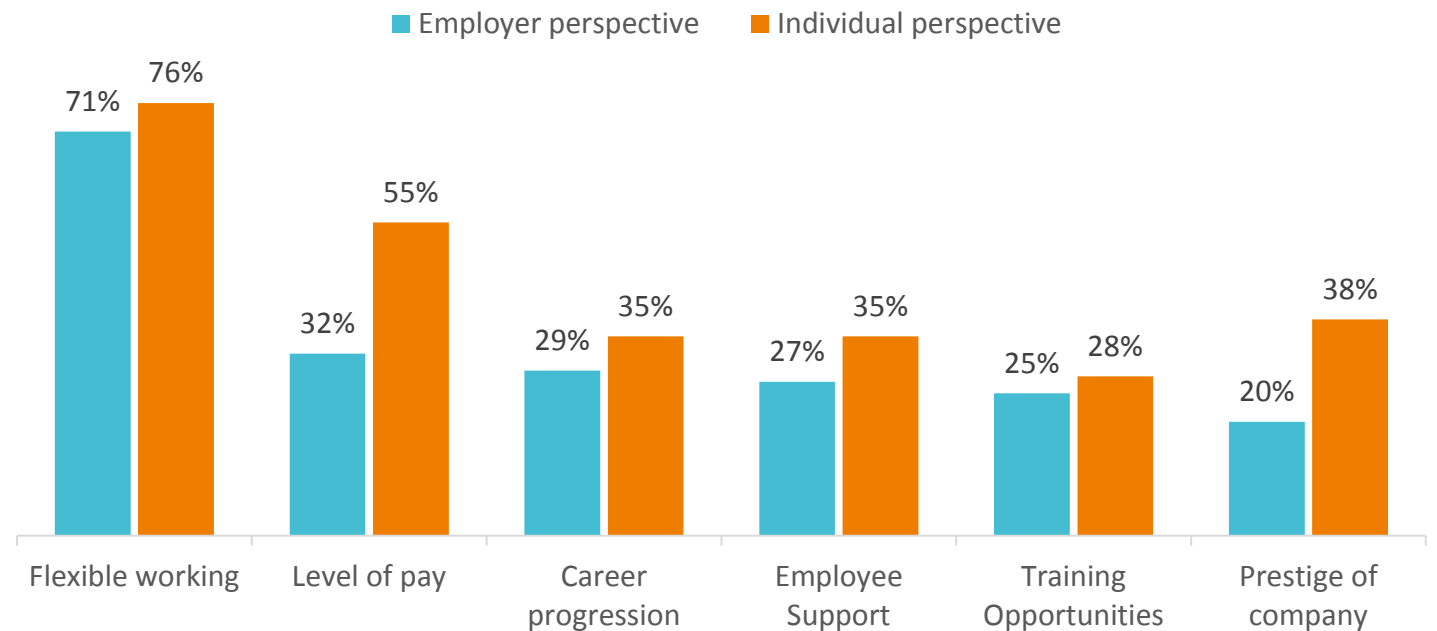


Both employers and employees were asked about the benefits they value and feel are most important in the workplace.

While flexible and remote working is valued, it is no longer considered novel or a benefit, it is now considered standard practice.

Salary, as you would expect, remains an important driver, especially during this cost of living crisis.

## Key employee benefits businesses offer vs what employees say they most value about their employment



# Technical skills important to employers - Manchester



Businesses identified Developer/Programming as most important for growth over the next few years, with an increase in importance for DevOps.

Compared to last year's top five, Data Analysis and Business Analysis make the top five for the first time, and UX Design re-joined the top five since its fall for the first time last year.

The top 5 Skillsets last year were:

- \* **Developer (programming) (62%)**
- Digital Marketing (51%)**
- Project Management (45%)**
- Sales & Business Development (43%)**
- DevOps (43%)**

## Skillsets most important to future growth of businesses



# Future professional development areas - Manchester



Changes in results over time:

## Leadership and management

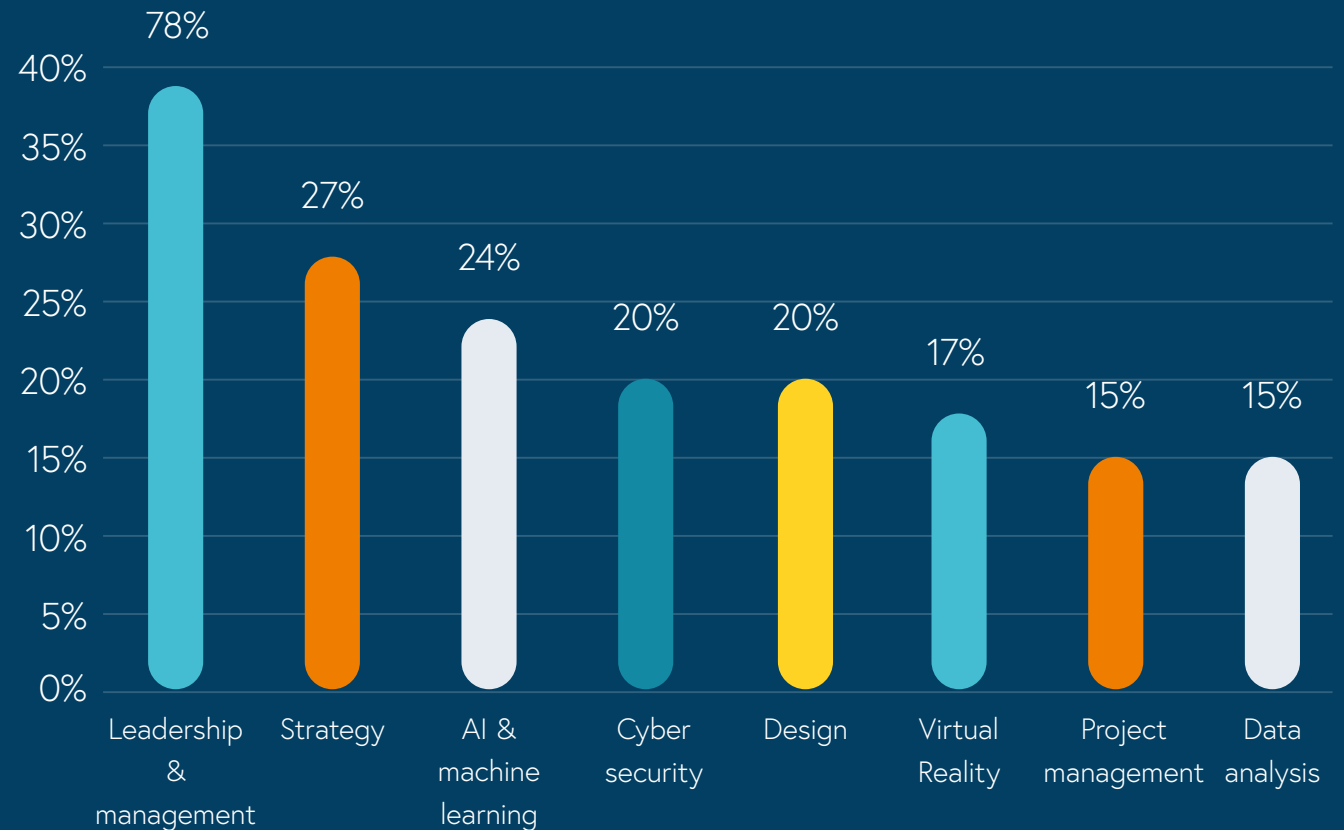
Leadership and management skills remains the most common professional skill people who work in tech want to develop.

## Strategy

Strategy has climbed back up into second place this year at 27% compared to 18% last year.

## AI and machine learning

24% of individuals stated they wanted to develop their AI and ML knowledge and skills, compared to only 12% last year.







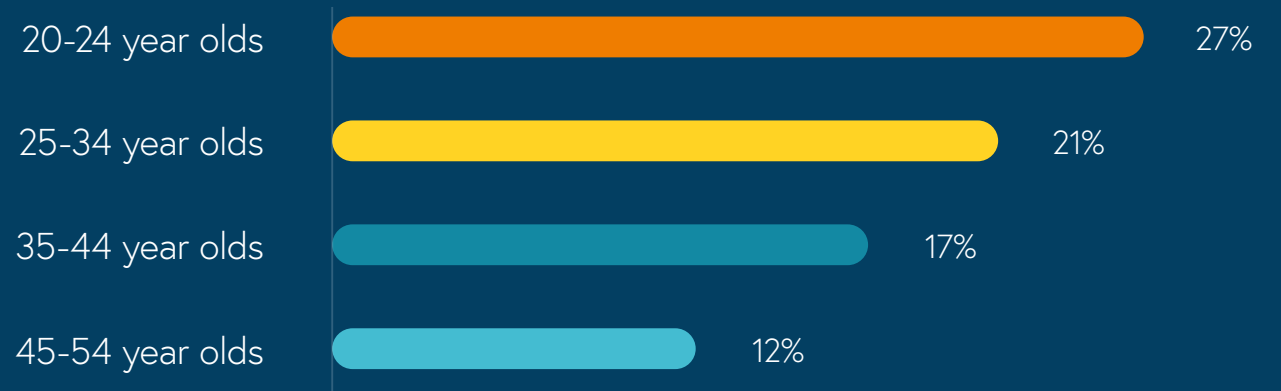
# Most technologists would take a new job, especially young tech talent

While not everyone is actively searching for a new job, most are open to considering new roles.

**74%** of technologists are actively looking for a job now or are open to new opportunities, which is consistent with last year's survey (also 74%).

Additionally, the percentage of young developers actively searching for their next role increased nine points year over year (**22%** in 2022 versus **13%** in 2021).

## Active job seekers (developers)



The 20-24 age group is succeeding at finding new jobs: **27%** have obtained as many roles as the average person in the 25-34 age group (3 or 4 professional jobs under their belt). Younger people are accepting new jobs more frequently, and the data shows they are hungry for more.

# Money is a good reason to job hop



Over half of developers agreed a better salary is still the largest motivator when considering a new opportunity (**54%**).

Experienced developers are more concerned with better pay than growth and leadership opportunities (**57%** vs. **37%** of 35-44 year olds and **62%** vs. **38%** of 25-34 year olds).

Across different team roles, better salary is a top motivator, as well (**61%** for individual contributors and **58%** of people managers).

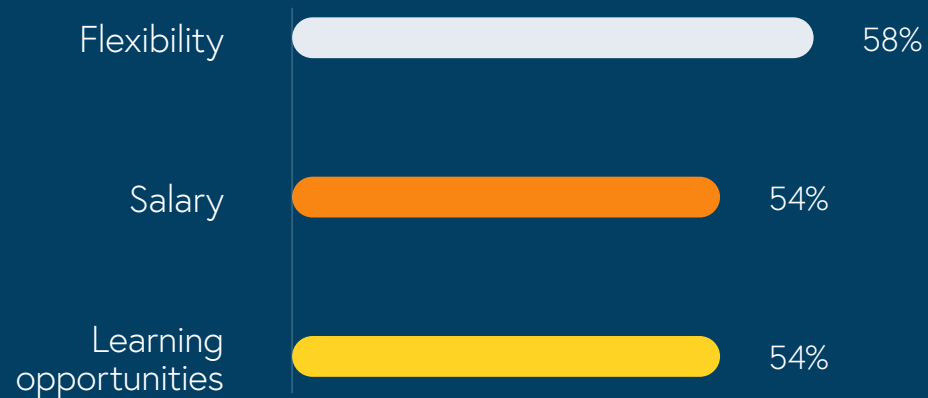
While salary remains a primary motivator for EU/UK developers, the desire to work with new technologies came in second as a reason to leave a role.

**38%** of EU/UK respondents are not interested in new job opportunities this year, which is an increase from last year (**27%**). This uptick could be related to the economic downturn with growing desire for stability and familiarity.

# What keeps tech professionals from looking?



## What factors convince developers to stay in their current role?



## Top factors that make a company more appealing to work for now or in the future





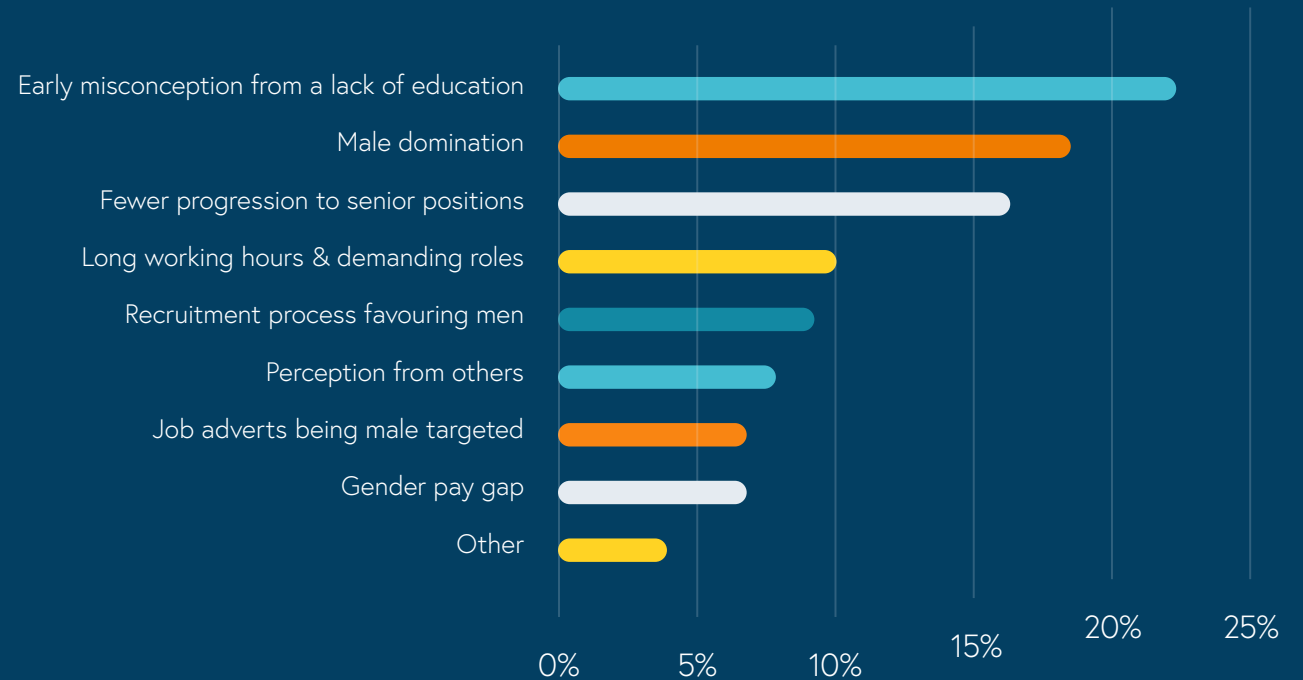
# Why are women put off from entering the tech industry?

A new survey from [womenintech.co.uk](https://www.womenintech.co.uk) reveals that there may be several reasons as to why women are put off entering the technology industry.

**22%** said the early misconception from a lack of education in young girls was to blame.

The next most popular option was male domination. The **4%** that answered 'other' claimed that women would be put off working in the tech sector due to a lack of confidence, a lack of interest in technology (stemming from a young age) and family responsibilities limiting them.

## What do you think is the main reason women may be put off from working in the tech sector?



# Attracting women in tech

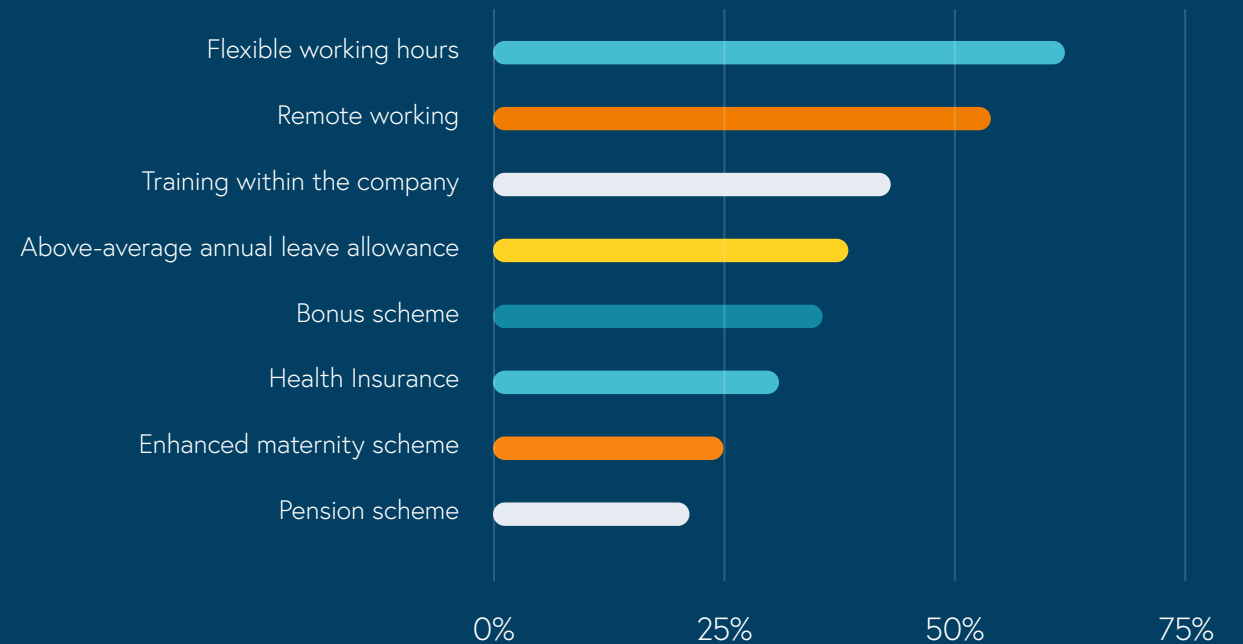


**61%** of employers are actively working on gender balance through promoting women in tech, compared to just **36%** last survey (2019).

The most popular ways businesses are trying to increase their gender diversity are by recruiting more women and introducing flexible working policies.

Respondents to the women in tech survey were asked what employee benefits would make a job description stand out to them. The most popular benefit chosen was flexible working hours (**63%**).

## Select the top 3 employee benefits which would attract you the most to apply for a job



# Day-rates for most in-demand tech skills



The median day rate of **40%** of the most in demand digital, data and tech contract skills fell in the last **3 months**.

Although all have increased YoY, the day rates among the most in demand specialist skills **either fell or remained stable** during economic uncertainty.

Skill / Job Role	Median Daily Rate	Day Rate Change
.NET	£575	-
AWS	£575	-
Azure	£555	-£15
DevOps	£587	-£13
Java	£600	-
JavaScript	£525	-£25
Node.js	£550	-
Python	£600	-
React.js	£538	-£12
SQL	£540	-

Source: ITJobsWatch (3 Months to February 2023)

# Salaries for most in-demand tech roles



Median salaries of **80%** of the most in demand digital, data and tech roles increased YoY.

Skill / Job Role	Median Salary	Salary Change YoY
.NET	£60,000	+4.34%
AWS	£72,500	+3.57%
Azure	£65,000	+4.00%
DevOps	£70,000	-
Java	£75,000	+7.14%
JavaScript	£62,500	+4.16%
Node.js	£70,000	-
Python	£70,250	+0.35%
React.js	£70,000	+3.70%
SQL	£57,500	+4.54%

Source: ITJobsWatch (3 Months to February 2023)





# Financial Services trends



## 2023 outlook / 2022 review - the tight job market just started to loosen

# +16%

Year-on-year increase in average  
2022 applications per job\*

For those recruiting in financial services, most of 2022 was dominated by talent shortages and their consequences, from the growth of counter offers to the need to speed up hiring processes.

Source: eFinancialCareers Hiring Trends Report – 2023 outlook / 2022 review \*Average applications = total job applications received from candidates during 2022, divided by total 2022 vacancies.

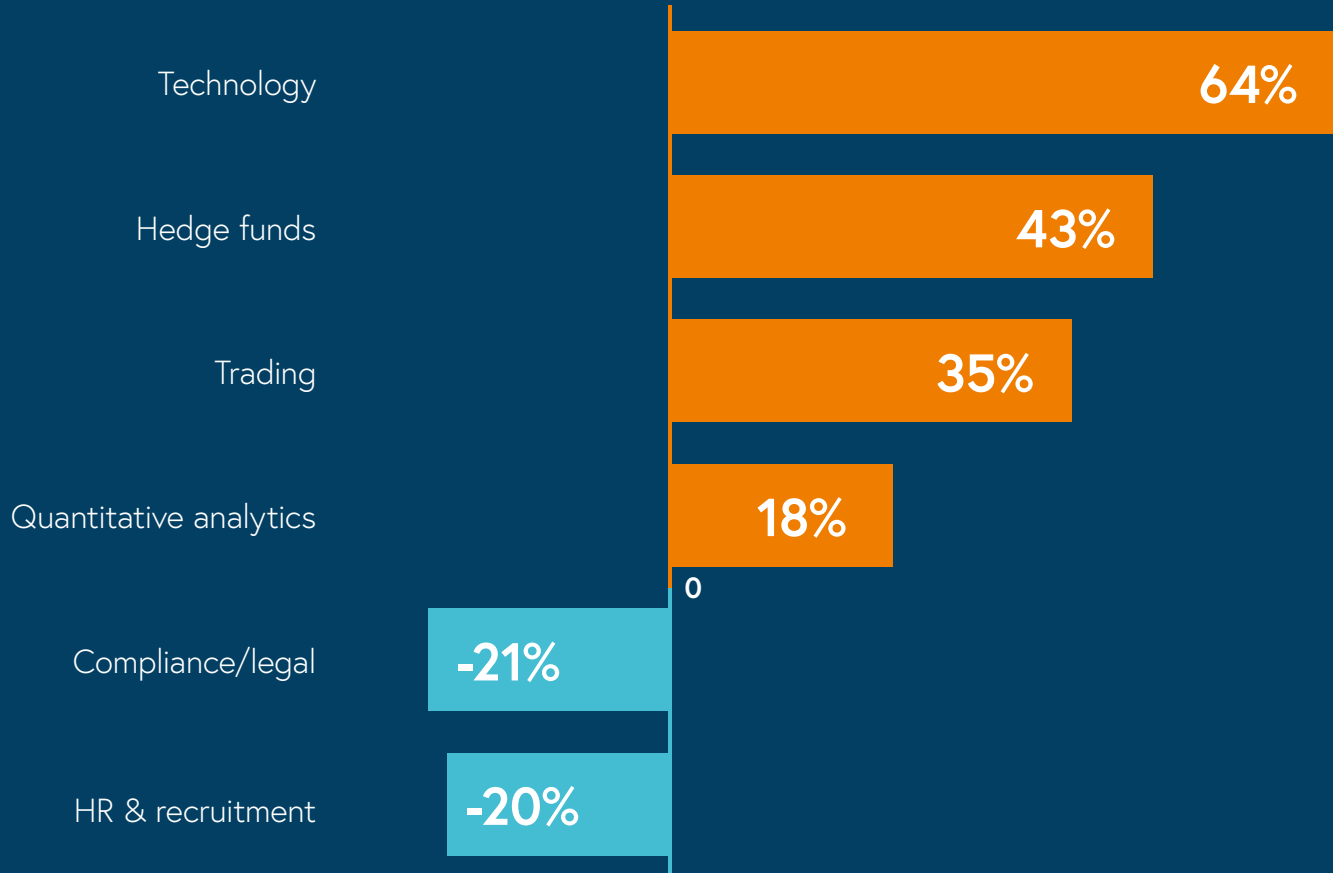


# 2023 outlook / 2022 review – the most interesting sector shifts globally

Large banks have earmarked technology as a spending – and hiring – priority for 2023.

The implosion of cryptocurrency trading platform FTX served as a reminder to employers about the importance of maintaining well-staffed compliance teams. Expect healthy levels of compliance hiring in 2023.

YoY change in average applications per job sector globally



Source: eFinancialCareers Hiring Trends Report – 2023 outlook / 2022 review

# 2023 outlook / 2022 regional review, UK



In the first half especially, demand outweighed supply.

The biggest challenge was candidates demanding significant pay rises to move.

Back and middle office functions were the worst hit by skill shortages in the UK.

Average applications to operations jobs in 2022 fell **14%**, while those in risk management and compliance/legal were down **12%** and **11%**, respectively.

The job market cooled in the second half as the UK entered a period of political upheaval, the likelihood of a recession increased, and banks began announcing redundancies.

2023 could still be fruitful for recruitment with a slight slowdown.



# 2023 outlook / 2022 regional review, US



The American job market in 2022 was characterised by extreme levels of vacancies.

Intense competition for candidates meant recruiters were left managing multiple offers, counter offers, and staggering demands for salary increases.

Announcements about layoffs at US banks have got the job market off to an uneasy start this year.

- Goldman Sachs is culling around 3,200 staff globally.
- Morgan Stanley is axing 1,600 people.
- Bank of America has started a partial hiring freeze.

The optimistic view is that the US will avoid a recession in 2023, and that hiring will continue, but at more manageable volumes.





# +59%

YoY change in Q4 UK  
average applications across  
all job functions

## Q4 2022 UK market summary - more candidates are applying for jobs

UK candidates were seeking job moves while vacancy numbers remained high in late 2022 – ahead of a potentially deep recession in 2023 and first-quarter job cuts at banks.

# Q4 2022 UK standout job sectors



YoY change in average applications per job sector in UK financial services



Source: eFinancialCareers Hiring Trends Report – Review of Q4 2022



## Q4 2022 US market summary

Talent shortages are losing some of their intensity in US financial services.

But even with economic uncertainty rising and Wall Street banks making layoffs, it's still premature to call time on the era of high vacancy volumes.

Source: eFinancialCareers Hiring Trends Report – Review of Q4 2022

# +85%

YoY change in Q4 US  
average applications across  
all job functions



# Q4 2022 US standout job sectors



YoY change in average applications per job sector in US financial services



# Financial services Indeed UK job postings



Hiring demand in in both Banking & Finance and Insurance fell compared to the previous month. However, job postings remain higher than pre-pandemic levels at **+27%** and **+48%** respectively.

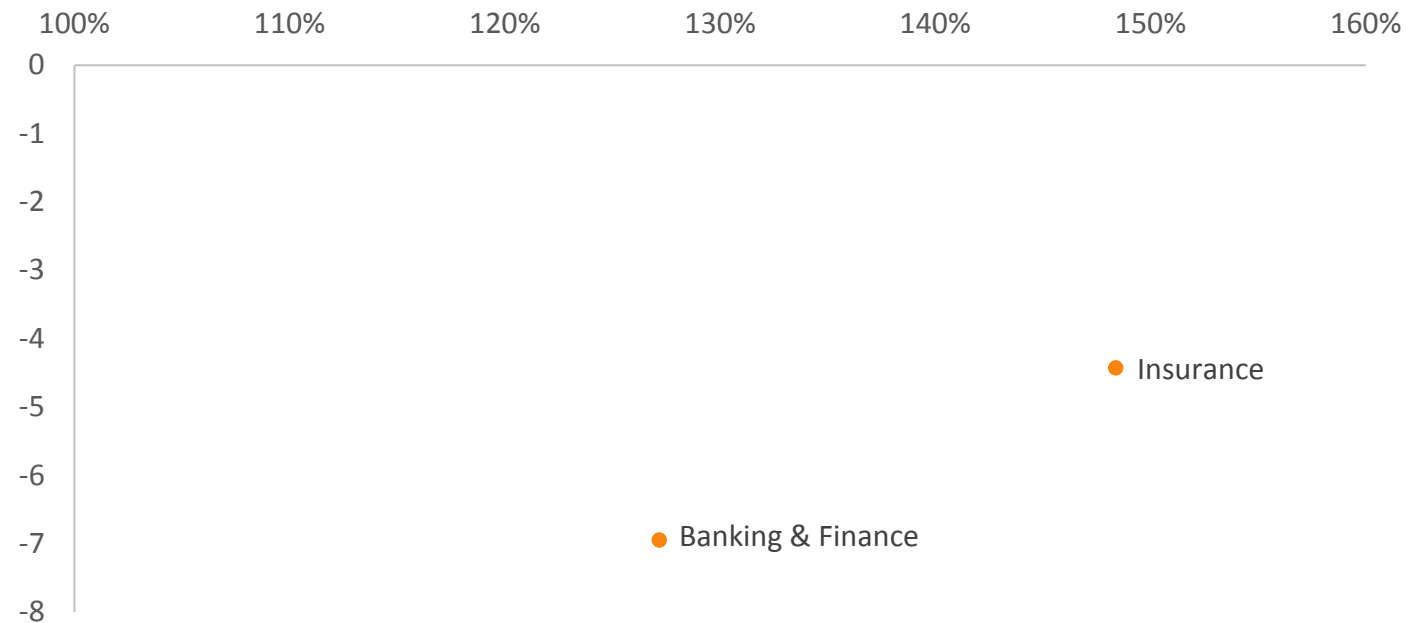
## % change from 13 Jan to 10 Feb 2023

Insurance **-4.43%**

Banking & Finance **-6.95%**

## Recent change vs. total change in UK job postings

% chg since 1 Feb, 2020 (x-axis), Ppt change since 13 Jan, 2023 (y-axis)



Scatter plot showing the percentage change in job postings from 1 Feb 2020 to 10 Feb 2023 on the horizontal axis and percentage-point change from 13 Jan to 10 Feb 2023 on the vertical axis.

Source: Indeed UK \*Indeed re-released their Job Postings Tracker as the Job Postings Index. The level (0 on the legacy tracker) is now set to 100 on February 1, 2020.

# Your rundown on fintech in 2022



**\$75.2B**

Total fintech funding  
in 2022. Down  
**46%** YoY.

Global fintech funding reached **\$75.2B** in 2022 - down **46%** from 2021, but up **52%** when compared to 2020. Deal volume fell only 8% year-over-year (YoY).

**-60%**

YoY drop in  
megaround  
funding.

\$100M+ mega-rounds accounted for \$36.5B in funding in 2022, marking a **60%** drop from 2021's record activity. The number of global megarounds fell by **52%** YoY to 179 as investors scaled back amid market turmoil and rising inflation.

**5**

Unicorns born  
in Q4'22. Down  
**87%** YoY.

Fintech unicorn births declined throughout 2022, sinking to a low of 5 in Q4'22 — an **87%** drop compared to Q4'21. Unicorn births also showed a sharp drop on an annual basis, rising inflation.

**-63%**

Decline in  
banking funding  
in 2022

Banking funding reached **\$9.4B** across 299 deals in 2022, down **63%** and **33%** YoY, respectively — returning to pre-Covid levels. This was the largest drop in funding across all fintech categories analysed.

# Your rundown on fintech in 2022



**\$32.8B**

Total US fintech funding in 2022.  
**50%** drop YoY.

Funding to US-based fintechs halved from 2021's record high to **\$32.8B** in 2022. Despite the drop, 2022 was the second-highest funding year for US fintechs

**227**

Deals to Africa-based fintechs. Record high.

Africa-based fintechs saw a record **227** deals in 2022, a **25%** increase YoY. Africa was the only region to see a YoY increase in fintech deals.

**-39%**

Decrease in capital markets tech funding.

Capital markets tech funding declined **39%** YoY from **\$3.8B** in 2021 to **\$2.3B** in 2022. This was the lowest percentage drop in funding for any fintech sector analysed.

**81**

Insurtech M&A exits. New high.

Insurtech M&A exits rose **40%** in 2022 to **81**, up from **58** in 2021. Insurtech was the only fintech sector to see a YoY increase in M&A exits.



# Positive signs of progress for women in fintech but fundamental barriers still exist

**76%** of women in fintech believe their firm is inclusive and **56%** feel it is diverse.

This is more pronounced from the male perspective, with **95%** of men believing their firm is inclusive and **77%** claiming it is diverse.

**45%** of women founders surveyed feel able to raise equity capital, compared to **62%** of men, and less than a third (**31%**) of women feel able to access debt funding, compared to **44%** of men.

Among junior to mid-level employees, **63%** of female respondents believe their gender impacts on how they are perceived professionally.

**32%** of women claimed to have negotiated on compensation with **51%** getting all or nearly all what they asked for. That compares to **42%** of men saying they negotiated on compensation, with **69%** receiving all or nearly all of what they asked for.

One in four overall tech roles done by a woman is a technical one. In fintech, **26%** of women in the sector are in roles such as chief people officer or head of HR, followed by chief marketing officer and chief financial officer.



# In 2022, female founders raked in some of Europe's most high-profile fintech rounds

Among the most high-profile rounds were **12** European fintechs with women in the most powerful position of all — CEO — and **5** with female cofounders.

## 2022-funded fintechs with female cofounders

### Yokoy

Cofounder: Melanie Gabriel, CMO

### Formance

Cofounder: COO Anne-Sybille Pradelles

### GoHenry

Cofounder: Louise Hill, COO

### Lendable

Cofounder: Victoria van Lennep

### Brxs

Cofounder: Amrita Ramsaransing

## 2022-funded fintechs with female CEOs

### YourJuno

CEO: Margot & Alexia de Broglie

### Solvo

CEO: Ayelen Denovitzer

### Starling Bank

CEO: Anne Boden

### Ledgy

CEO: Yoko Spirig

### Tumelo

CEO: Georgia Stewart

### Moneyhub

CEO: Samantha Seaton

### Simpler

CEO: Rania Lamprou

### Pigment

CEO: Eléonore Crespo (co-CEO)

### Sequence

CEO: Riya Grover

### Near Foundation (NEAR Protocol)

CEO: Marieke Flament

### Pile

CEO: Jessica Holzbach

### Lilo

CEO: Emily Chan

# Women in financial services, Europe



Current share and projected growth of women in FSI by role category, region, and location

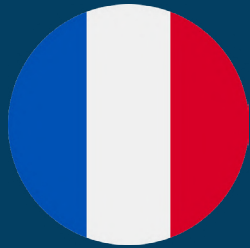
Current share in 2021: ● C-suite ● Senior leadership ● Next generation

Projected share in 2030: | XX%

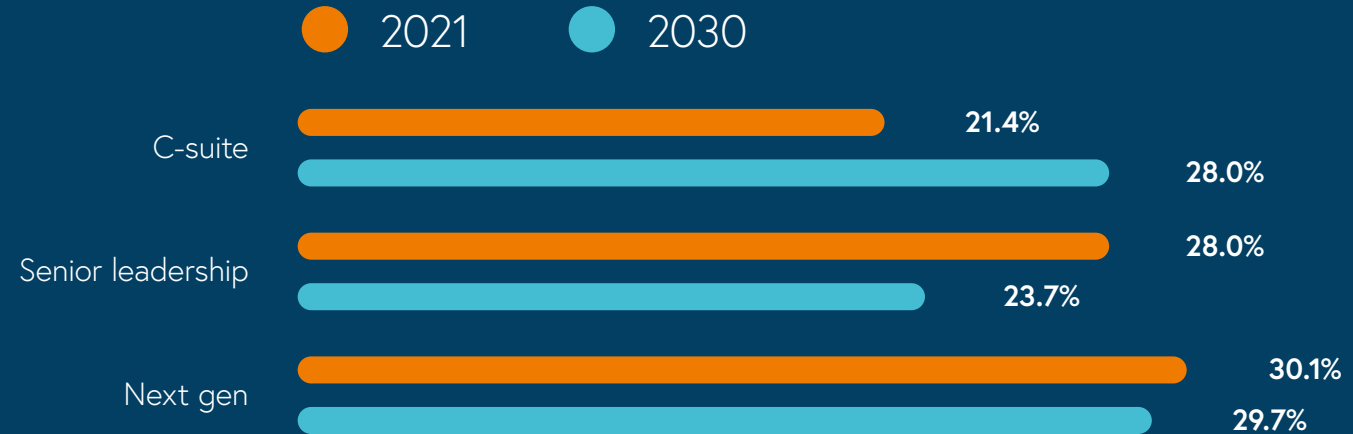


Source: Deloitte Centre for Financial Services analysis of BoardEx LLC data

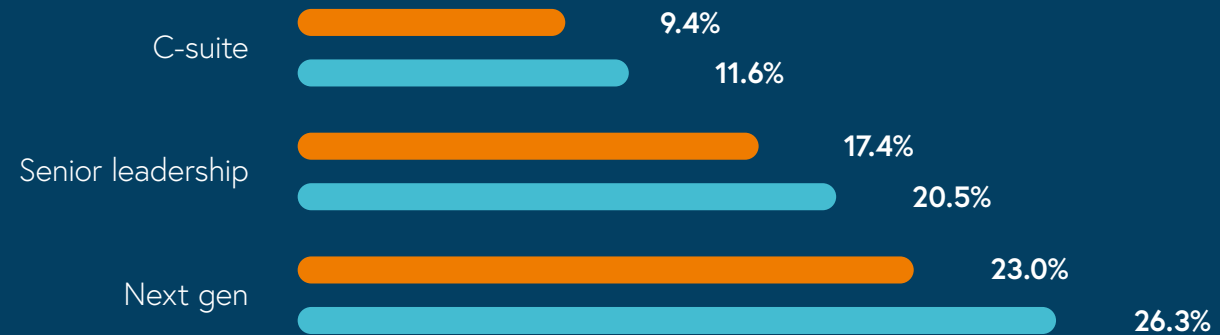
# Women in financial services, Europe



France



Germany





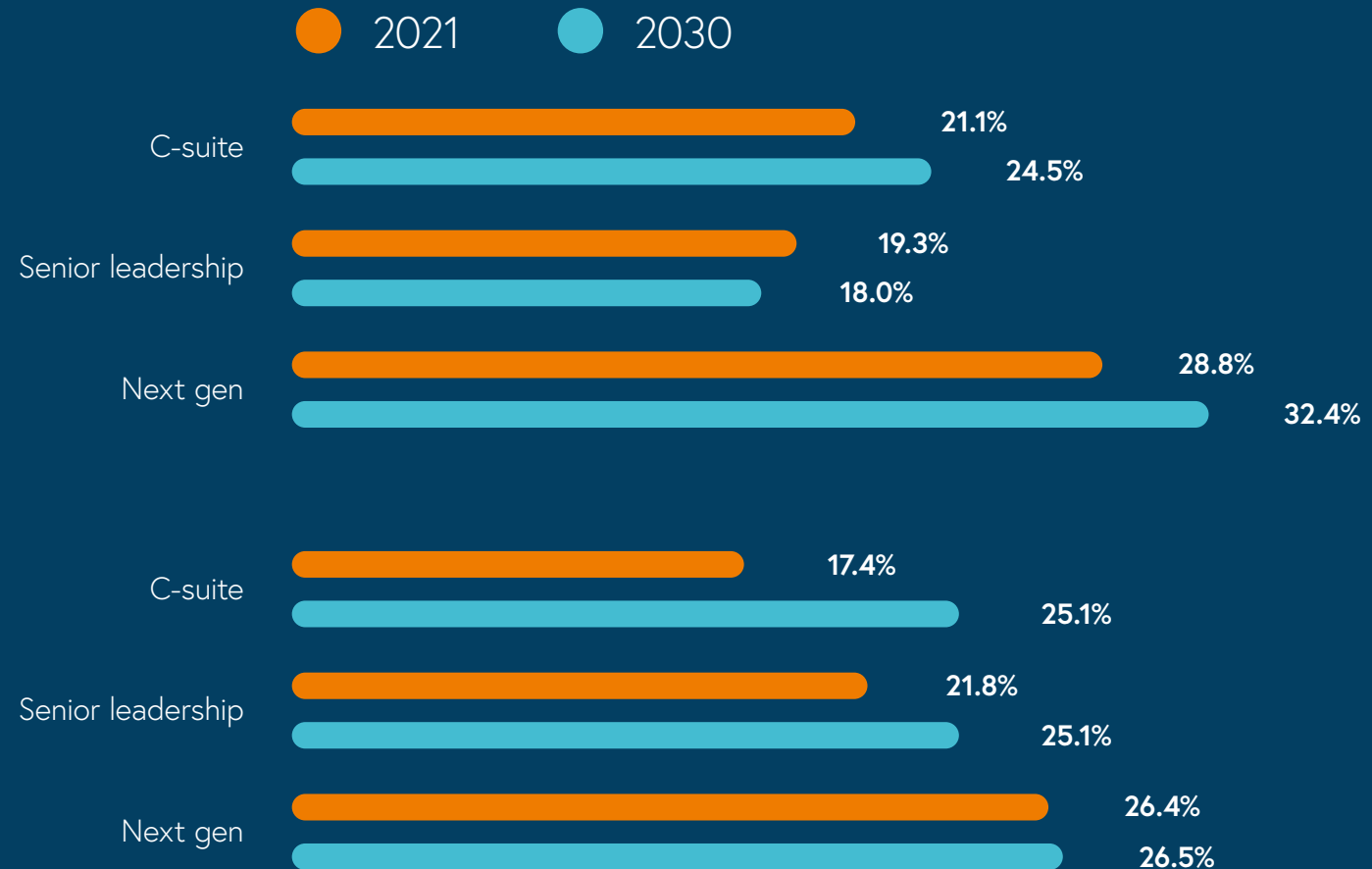
# Women in financial services, Europe



Netherlands



United Kingdom



Source: Deloitte Centre for Financial Services analysis of BoardEx LLC data

# UK financial boardrooms lead Europe in acceleration of female and sustainability appointments

**58%**

of UK financial services board appointments over the last year were female, relative to 50% across Europe.

**56%**

Over the past two years, 56% of board appointments at UK financial firms were female versus 46% across Europe.

**59%**

Female board members of UK financial services firms (59%) are more likely to have C-Suite experience than their European peers (51%).

**44%**

In the UK, 44% of firms monitored have board directors with professional sustainability experience; significantly above the 32% recorded across European firms.



Challenges hiring specialist technology roles?  
Or noticing a market shortage of talent?

We can help.

# evolve

**A fully flexible, cost-effective approach to manage recruitment and engage talent.**

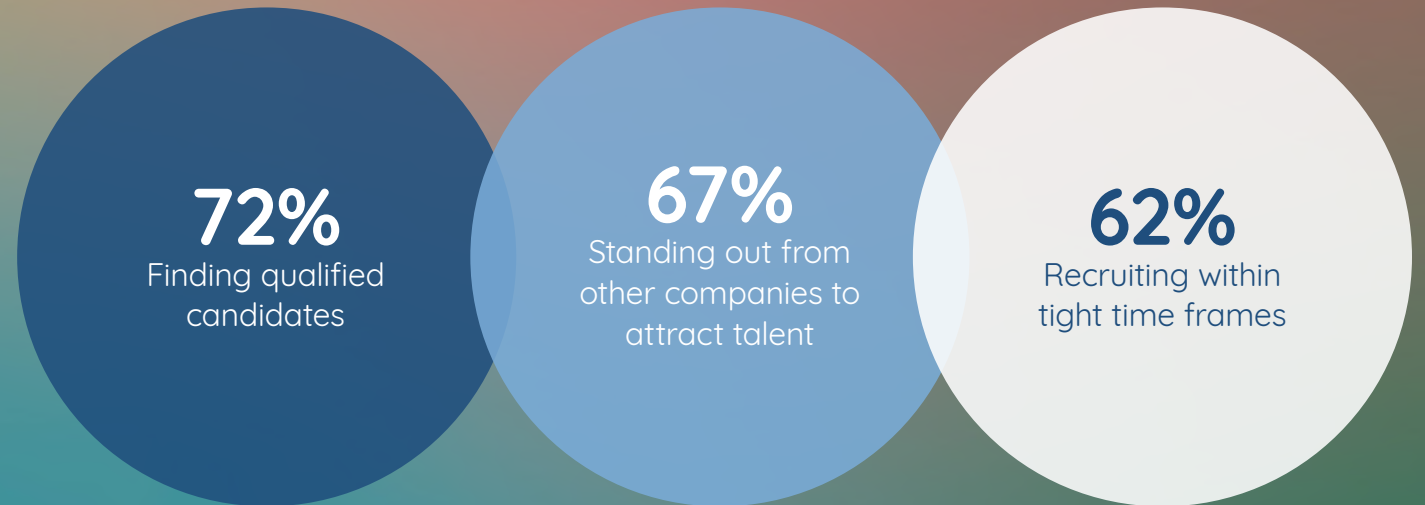
Specifically developed for start-ups, scale-ups and SMEs, our range of modular services reimagine the way you access the best candidates in the market.



**84%** of hiring managers say the tech labour market has changed since the Covid-19 pandemic.

**66%** of those surveyed say it is now more challenging to hire for specialist technology roles.

The following challenges were cited:



**Get in touch** / 020 7025 0100 / [info-evolve@interquestgroup.com](mailto:info-evolve@interquestgroup.com)

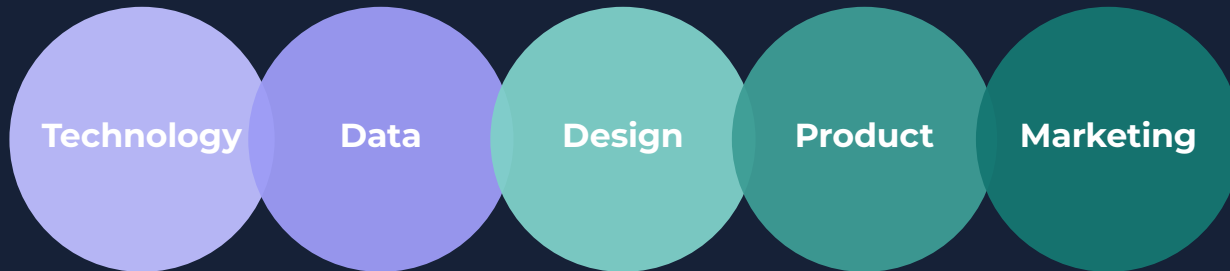


We believe that the best way to find top talent is to truly understand the communities we recruit from. That's why each of our consultants attends conferences, meetups, and training sessions specific to the industries and job roles they specialise in. By doing so, they become experts in their field and can match candidates with employers who share their values and goals.

Our comprehensive range of talent acquisition services cover permanent, contract, fixed price consulting, future talent development and embedded onsite recruitment via a monthly subscription model.

## SECTORS

Working across Digital & Technology ECOM operate in five key sectors:



**Find out how we can help you**

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# Webinar & Podcast Series

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# About us



## Our brands



261

Members of staff

700

Website users every day

201,164

Social followers

60mins

One of our candidates starts a new role every hour

## Our Locations

### Overseas locations

- New York
- Amsterdam

- Harrogate
- Manchester

- Berkhamsted
- Tunbridge Wells
- London

## Awards and Accreditations



# Our Customers





# Our Customers





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