

Press release  
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## Eight key hiring trends to dominate recruitment in 2023

- Companies are freezing extra hires and focusing on improving the productivity of existing employees and internal promotions.
- Starting salaries are expected to stabilise, but a tight labour market will continue to give jobseekers with in-demand skills bargaining power in salary negotiations.
- Companies will need to showcase their ESG and diversity credentials to attract values-driven candidates.
- Booming demand for cyber-security talent will collide with a deep talent deficit putting upward pressure on salaries.
- Fearful of an economic recession, jobseekers will look for assurances of job security.

**Sydney, 13 December 2022** – Internal promotions, hiring freezes and prioritising cyber-security skills are among the eight key trends, confirmed by specialised recruiter [Robert Half](#), that are set to shape the hiring market in 2023.

### 1. Rightsizing versus downsizing

Talks of a potential recession have hit Australia's shores, with employer concerns about the rate of hiring and headcount surfacing. Multinational corporations with offices in Australia will likely rein back hiring plans and implement tentative hiring freezes, taking the lead from their UK/US headquarters.

At the same time, local businesses will focus on maintaining headcount and filling vacant roles rather than adding new positions. Companies that added permanent headcount in 2022, with some having 'over-hired' or 'panic-hired' during a time when business confidence and growth initiatives accelerated, are restructuring and focusing on optimising the team headcount and managing workloads. 2023 will see companies focused on efficiencies and improving the productivity of existing employees.

### 2. Increased use of contract talent

With more caution in the market, companies are less inclined to commit to permanent headcount and want the flexibility to scale their workforce up and down as required. As a result, 2023 will see employers increasingly engage contract talent to secure specialised skills immediately, with the flexibility to keep staff on for longer if required. Contracting is already a common hiring strategy, with almost 7 in 10 (68%) companies in Australia working with contract staff and that is expected to grow going into 2023<sup>1</sup>.

### 3. Salary to drive candidate decisions

As cost-of-living pressures escalate, candidates will continue to follow the dollar sign to stay ahead of inflation. Even though the employment market is set to ease and some starting salaries set to stabilise, ongoing skills shortages in specialised areas will continue to give jobseekers with in-demand skills and experience the bargaining power to demand a higher salary – leading to unrealistic salary expectations for some. Regular salary benchmarking remains critical for employers to ensure they offer salaries in line with current market rates.

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<sup>1</sup> The study is developed by Robert Half and was conducted online in June 2022 by an independent research company, surveying 300 hiring managers, including 100 CFOs and 100 CIOs, from companies across Australia.

*“Salary remains a crucial factor at a time when candidates have substantial power to negotiate their salary. However, candidates need to be realistic around salary expectations. Business leaders are making every hire count, and the big money will only go to candidates with a wealth of experience and knowledge,”* said **Director of Robert Half, Andrew Brushfield**.

#### **4. Demands for workplace flexibility despite in-office employer requests**

With the height of the pandemic over, more employers will request that employees increase their number of in-office days in 2023. However, many candidates and employees will not consider a role that involves working in the office full-time and expect a high level of workplace flexibility, putting those employers in a challenging situation to attract and retain staff.

*“The hyper-focus on work-life balance means employees will continue to expect flexible working arrangements. Companies who want staff back in the office need to strike a balance between in-person office days to build corporate culture and collaboration opportunities, while sustaining flexibility to uphold employee work-life balance and employee morale,”* said **Brushfield**.

#### **5. Values-driven jobs selection**

Candidates are taking a more ‘values-driven’ approach to their career choices, especially Gen Z, only considering organisations whose values align with their own. When evaluating job opportunities, candidates are asking questions about a company’s ethical behaviour, corporate citizenship, and DEI and ESG policies.

*“Among everything being thrown at candidates as selling points for a business, DEI and ESG have become increasingly important for professionals, especially younger generations. More companies are showcasing DEI and ESG in their recruitment processes, and actively building pipelines for diverse workforces,”* said **Brushfield**.

#### **6. Economic uncertainty will mean candidates prioritise job security**

Concerns of a possible recession are making employees more hesitant to change roles, contributing to the further tightening of Australia’s talent pool. When looking for a new role or when approached by other employers, candidates are focused on job security to be sure they won’t be first out the door if the market continues to soften. Talking about the company’s performance, growth plans, current market situation, and the onboarding process in the interview can go a long way in creating a sense of job security and showcasing how the business will support new recruits and existing employees.

#### **7. Internal promotions will take priority to fill vacant roles**

With companies being more reluctant to add extra employees to their teams and ongoing skills shortages, business leaders will increasingly look inward to identify and train in-house talent to step into more senior roles. Promoting existing staff is also a cost-effective and efficient way to retain company knowledge and employees.

#### **8. Cyber-security skills become a top priority**

The recent high-profile cyber-attacks have put yet again the spotlight on companies’ security policies and programs. The booming demand for cyber-security talent – both on a permanent and contract

basis, will collide with a deep talent deficit in 2023, putting pressure on employers to further increase starting salary offers, and in some cases, offer premiums to starting salaries, to fill crucial roles.

### Top 10 in-demand roles for 2023

1. DevOps Engineer
2. Cyber-security Specialist
3. Developer
4. Finance Business Partner
5. Financial Accountant
6. HR Business Partner
7. Customer Service Officer
8. Receptionist
9. Risk Manager
10. Digital Marketing Manager

*“The workplace trends seen in 2022 have set the stage for hiring trends in the next 12 months. A salary-driven hiring environment, continued demand for workplace flexibility, and more emphasis on a company’s values when selecting jobs will continue to shape the 2023 employment market.”*

*“Despite fears of recession and global political uncertainties stirring hesitation in the marketplace, the jobs market is expected to remain buoyant with companies primarily focused on filling vacant roles, boosting performance of existing employees and upskilling their staff – rather than adding expanding teams.”*

*“Though companies are taking a conservative hiring approach, many continue to make extra strategic hires for business-critical positions. Business strategies for 2023, which include implementing digital transformation and cyber-security initiatives, staying abreast of regulatory reform, and an increased cost-focused approach in the finance sector, are driving ongoing demand for specialised staff in the finance and technology sectors.”*

*“More broadly, candidates with in-demand skills continue to be in control of the job market, forcing employers to finesse and adapt their attraction and retention strategies to differentiate themselves from competitors.”* concluded **Brushfield**.

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### Notes to editors

#### About Robert Half

Robert Half is the global, specialised talent solutions provider that helps employers find their next great hire and jobseekers uncover their next opportunity. Robert Half offers both contract and permanent placement services, and is the parent company of Protiviti, a global consulting firm. Robert Half Australia has offices in Brisbane, Melbourne, Mount Waverley, Perth, and Sydney. More information on [roberthalf.com.au](https://roberthalf.com.au).

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