Client Server
Technology Recruitment

Market REPORT

JANUARY 2025
EDITION

03. **Recruitment** Landscape

05. **Candidate** Expectations

07. **UK** Market

08. **European** Market

09. **US** Market

11. **Hiring** Advice

13. **Talking Tech**

14. **Get in Touch**

Contents.

A Look Ahead:
Technology Recruitment in 2025

Few in the technology recruitment industry were sorry to see 2024 in the rearview mirror. It was a year fraught with challenges, uncertainty impacted demand, and companies adopted a cautious approach. Meanwhile, many candidates opted for stability, hesitating to make career moves.

As we step into 2025, I'm optimistic about improvement. Technology remains one of the fastest-growing industries globally, and the UK is no exception. Offering diverse roles across areas like artificial intelligence, cloud computing, and cybersecurity, the sector continues to innovate at pace. While challenges persist, such as changes to tax policy and economic uncertainty, demand for top professionals will undoubtedly grow as businesses pursue digital transformation.

What trends and developments should we expect in the year ahead?

Here are key factors to watch in 2025:

- **The Evolving Remote Work Dynamic**
- **Navigating the National Insurance Hike**
- **UK Innovation Hubs Leading the Way**
- **Upskilling to Meet Top-Talent Demands**
- **Accelerating Diversity and Inclusion**

The UK's technology job market is poised for growth in 2025. While economic pressures persist and growth rates remain moderate, advances in technology, talent shortages, and regulatory shifts will drive demand across the sector.

We anticipate challenges but also see immense opportunity. Adapting to the market's evolving dynamics, staying committed to learning, and embracing innovation will be essential for both companies and candidates aiming to thrive in a competitive and rapidly changing landscape.



Nick Boulton | CEO, Client Server

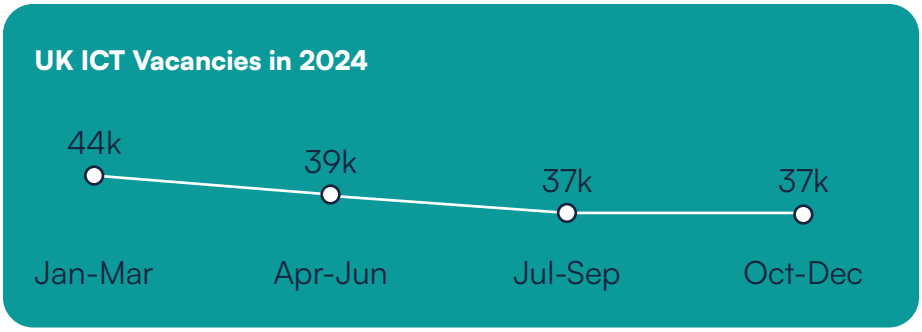
Read more →

Recruitment
Landscape.

Supply vs. Demand | Technology

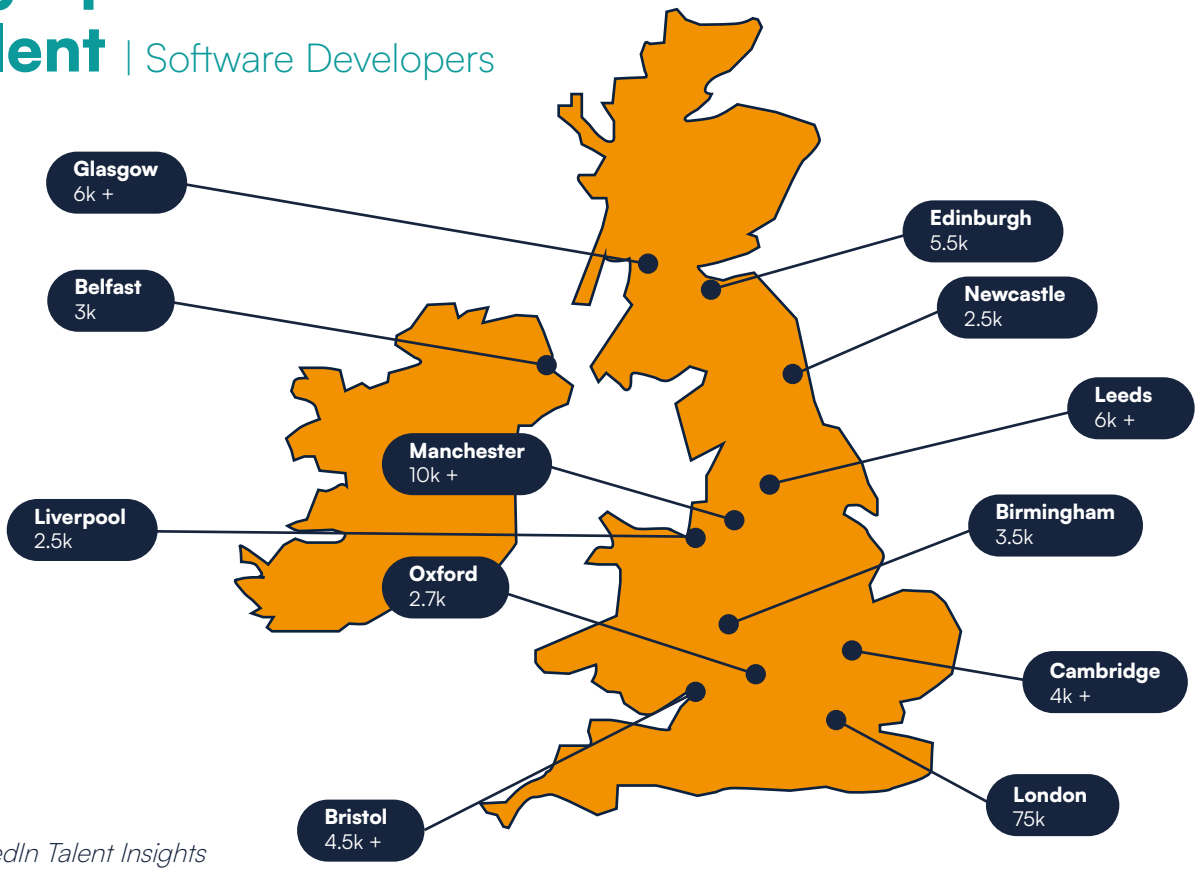
"The labour market was slowing for much of 2024. December was the 14th month in which the jobs report registered a decline in overall vacancies. Among permanent roles, the fastest decline in vacancies was seen in the executive/professional and the IT and computing sectors." *Source: The Guardian*

Tech Vacancies in 2024
157k



Source: LinkedIn Talent Insights

Geographic distribution of talent | Software Developers



Source: LinkedIn Talent Insights

While London remains at the forefront of the UK's tech sector, regional hubs are playing an increasingly important role in distributing talent across the country. As companies explore hybrid work models and look to leverage regional resources, there is an opportunity to decentralise tech talent further and create a more balanced national ecosystem.

Recruitment
Landscape.

Salary & Benefits

4.5%
is the average pay rise workers expect (*up from 3.7% in 2023)

28%
of workers will look for a new job if they don't receive their desired pay rise

66%
would overlook a pay rise to receive their most desired benefit

Flexible working
most desired benefit

"Salaries in the technology sector vary significantly across the UK, influenced by regional demand, cost of living, and the presence of tech hubs.

Tech professionals report high levels of satisfaction with their compensation, with 77% satisfied with their salaries, reflecting competitive pay in the industry, and 86% satisfied with their benefits, which often include flexible working hours, remote options, and enhanced pensions. However, gaps remain between desired and advertised benefits:"

Most desired vs. advertised benefits | Technology Industry



Salary & benefit satisfaction of workers

77%
are satisfied with their salary

86%
are satisfied with their benefits

Source: TotalJobs UK Salary Trends Report 2025

Candidate Expectations.

Decision factors beyond salary & benefits

- **Good work-life balance** (49%)
- **Job security** (37%)
- **Flexible working options** (37%)
- **Convenient location** (35%)
- **Positive work culture** (27%)

Financial goals

39% of workers will look for a new job in 2025 for a higher salary

56% worry about their finances due to the cost of living

+13% increase in pay would make workers consider a new job offer

Top financial goals for workers

1. Saving for retirement (32%)
2. Covering day-to-day expenses (22%)
3. Ensuring a comfortable standard of living (21%)

Source: TotalJobs UK Salary Trends Report 2025

Diversity statistics | in the UK

29%
UK tech employees are women or non-binary

21%
Senior tech role holders are women

25%
UK tech employees are ethnic minorities; 5% are Black

Source: Tech Talent Charter Diversity in Tech Report 2024

Candidate
Expectations.

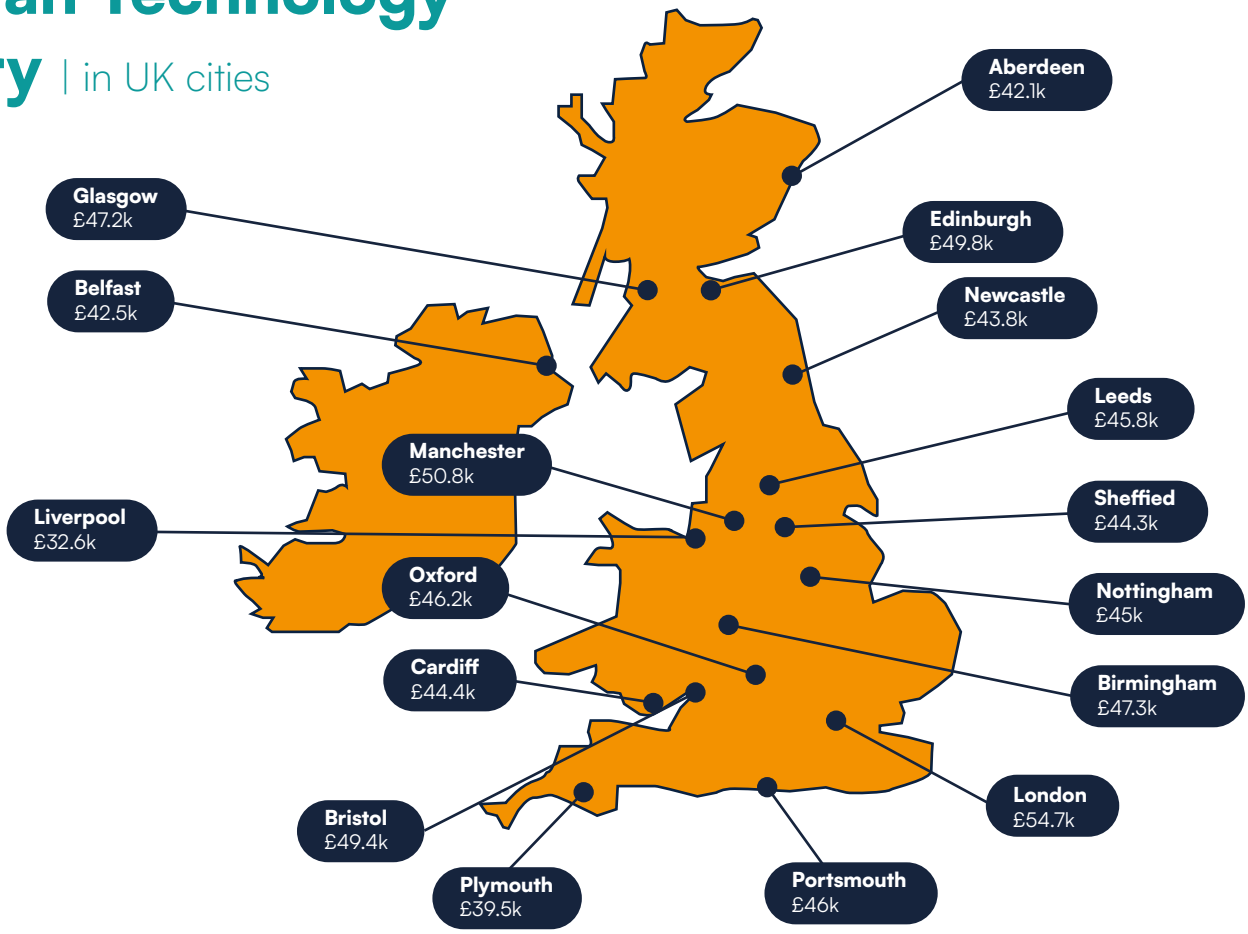
Median Salary
£46.2k

Salary growth compared to 2023 | -3.4%

Salary range 2023 - 2024

2024	£46.1k - £52.6k
2023	£44.8k - £51.6k

Median Technology Salary | in UK cities



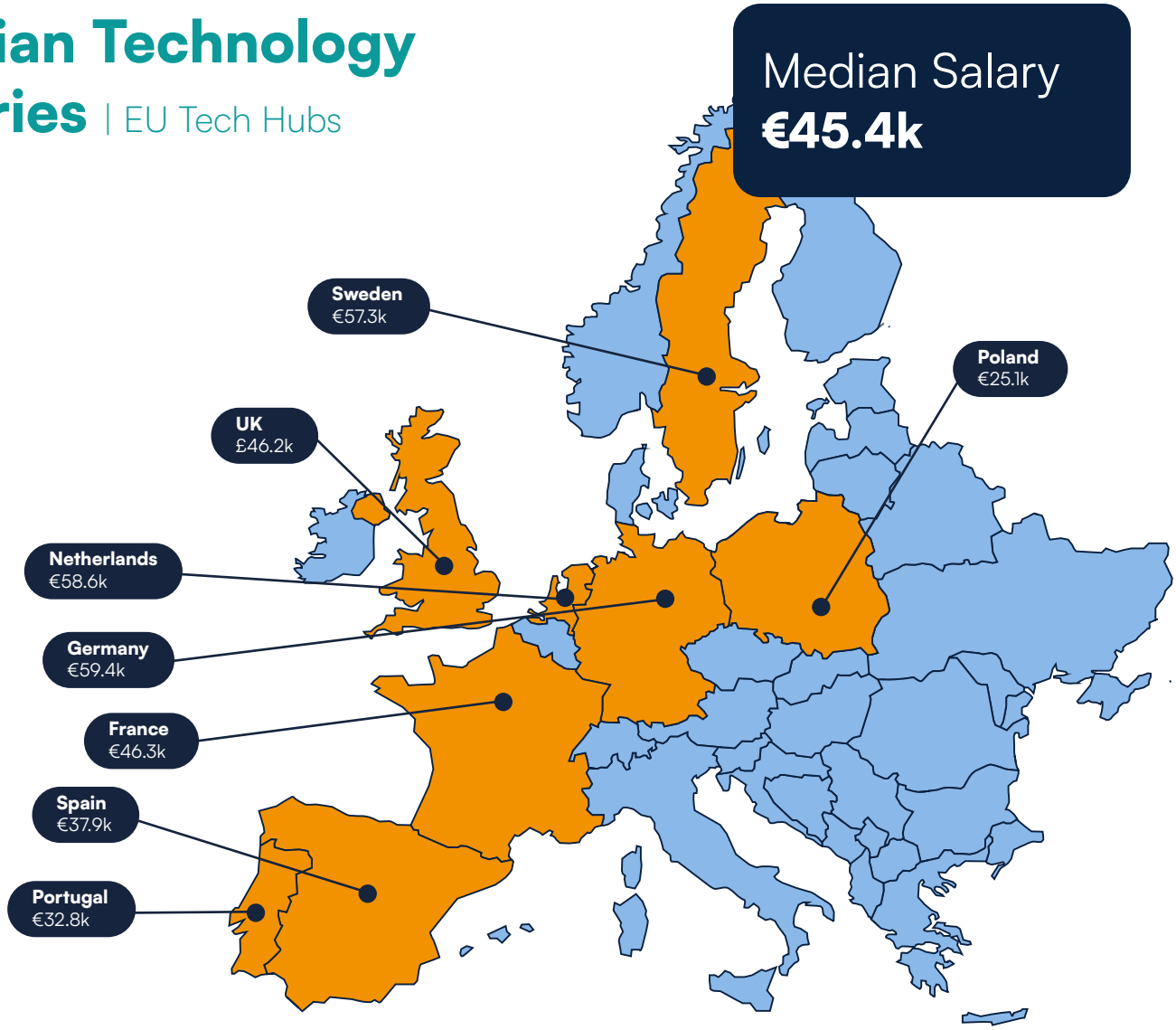
Top 5 most advertised roles | Technology

Data engineer	£53.6k - £58.5k
Software engineer	£52.1k - £58.4k
.NET developer	£51k - £63k
Software developer	£42.9k - £48.9k
IT support engineer	£30.5k - £33.8k

Source: TotalJobs UK Salary Trends Report 2025

UK.

Median Technology Salaries | EU Tech Hubs



Source: Horsefly Labor Market Analytics

3.5M talent employed in European tech

"Europe now employs as many people today as the US did just five years ago in 2020. The talent pools on both sides of the atlantic are growing at the same pace of 24% year-on-year for the past 10 years."

Europe's talent pool scaled 7x over the past decade

"Today, the European tech workforce stands at 3.5M. The vast majority — 2.9M — of those employees have joined over the past decade... These figures are even more impressive in the context of the last two years, when headlines about funding shortages and staff redundancies have been hard to miss. Against the odds, Europe's tech sector has remained attractive to new talent and its importance as a contributor to the continent's workforce continues to grow."

Source: State of European Tech 2024 Report

Europe.

2024 Average Tech Salary: $112,521

"The average technology professional now earns $112,521—a modest 1.2% year over year increase.

This growth is an encouraging indication of the continued resilience of tech despite high-profile layoffs and economic uncertainty. However, as HR leaders build their tech hiring strategies in 2025, it is important to remember that beneath this headline figure lies a complex story, with sharp variations in compensation across regions, sectors, and experience levels.

Understanding these shifts is essential for a talent acquisition strategy that leads to strong and loyal tech teams. For example, we've noted tech pros' unprecedented dissatisfaction with their current compensation, which could have a huge impact on how companies attract and retain their best talent. In this chapter, we cover the nuances behind these salary trends, using detailed survey data to analyze the key factors influencing tech compensation across sectors and roles, and identify where the brightest spots of growth lie within the tech hiring marketplace."

Consulting, software, and banking/finance remain the highest-paying industries for tech professionals each exceeding $125k

Mid-career professionals (i.e., those with 3-5 years experience) saw the most salary growth in 2024, after a steep decline in 2023

Entry-level tech professionals continued to see a salary decline in 2024

Tech professionals responsible for AI earn significantly higher salaries

The future of high salaries lies in skill differentiation and education

Source: Dice Tech Salary Report

USA.

Average Tech Salary by Experience | Growth since 2023

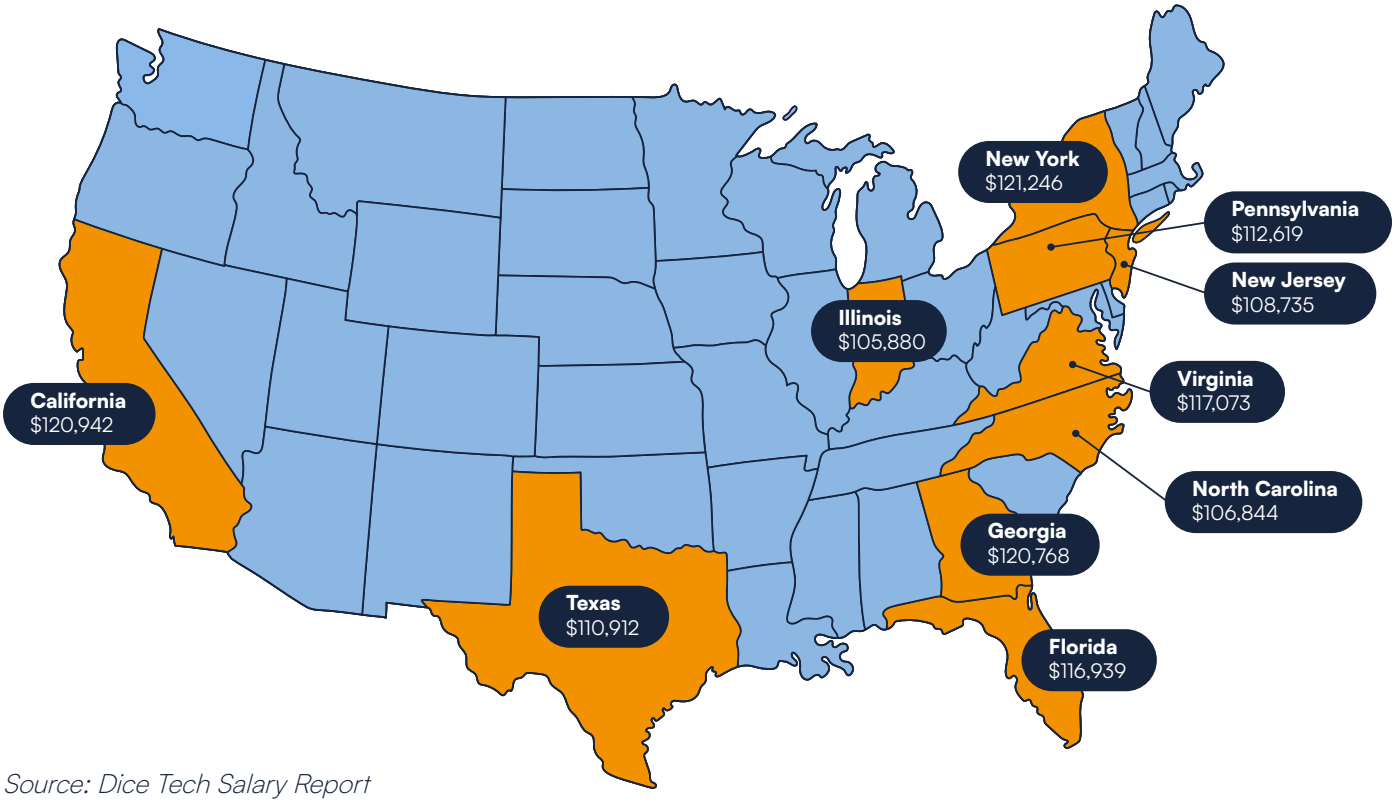
2 years or less	$64,048	1.4% ▼
3-5 years	$80,029	5.9% ▲
6-10 years	$96,122	3.2% ▼
11-15 years	$113,248	0.5% ▼
More than 15 years	$133,047	0.5% ▲

Tech professionals could earn a $10k pay bump if they gained expertise in the following 9 skills:

- Artificial Intelligence
- Cloud Computing
- C#
- Docker
- Cyber Security
- DevOps
- BASH
- Software as a Service (SAAS)
- VMWare ESXi

Average Tech Salary by State | Top 10

"Even in a year marked by high-profile layoffs, tech companies haven't lost their edge when it comes to compensation for tech professionals: those working at tech companies earn 5.7% more than their peers in other industries, and this gap is growing—tech companies increased salaries by 2.2% in 2024 even as other sectors saw a decline."



Source: Dice Tech Salary Report

Hiring Insights & Strategic Tips for Hiring Managers

Remember the term “new normal”? It became a buzzword post-COVID, providing a sense of comfort in uncertain times as we tried to forecast how the world would settle — at work, socially, and economically. By 2024, that “new normal” had landed with a thud, and it wasn’t always smooth sailing.

Economies wrestled with global conflicts, inflation surged, and widespread budget cuts impacted industries across the board. In the tech hiring space, layoffs were a regular occurrence, with major players like Big Tech shedding nearly 150,000 jobs, according to Levels.fyi. This ripple effect slowed funding, prompting investors to focus inward on existing portfolios.

Despite the rocky year, Q4 brought a glimmer of hope with a 15% uptick in tech roles. Venture capital funds loosened their purse strings, particularly in AI technologies. Looking to 2025, there’s a cautiously optimistic economic outlook in the EU, and the U.S. — under Trump’s new administration — is poised for fresh investments.

So, as we step into 2025, how can hiring managers navigate the challenges and opportunities in tech recruitment?

- **Hybrid Work: To Flex or Not to Flex?**
- **AI in Recruitment: Helper or Hinderance?**
- **Building a Diverse and Inclusive Team**
- **The Rise of the Full-Stack Developer**

The tech hiring landscape in 2025 presents both challenges and opportunities. Companies that prioritise flexibility, leverage AI thoughtfully, embrace diversity, and adapt to emerging skill trends will be better positioned for success. With proactive strategies, hiring managers can navigate the evolving market and secure the top talent they need to thrive.



Nick Caley | Sales Director

Read more →

2025

Hiring Advice.

Hiring Insights & Strategic Tips for Hiring Managers



Nick Caley | Sales Director

Read more

Hybrid Work: To Flex or Not to Flex?

Hybrid work has become the default, but trends are shifting. Companies like Goldman Sachs, Amazon, and JP Morgan have initiated full return-to-office mandates, and even some early-stage startups are adopting stricter in-office policies.

However, removing flexibility could significantly hinder your hiring efforts. Post-pandemic, employees have embraced flexibility as a top priority. Organisations offering hybrid setups — such as a 2/3 split — will hold a competitive edge in attracting talent.

AI: Help or Hinderance?

In 2024, AI-powered recruitment tools gained significant traction, streamlining processes like candidate screening and scheduling.

While these innovations are valuable, over-reliance on AI poses risks. Recruitment is fundamentally about people. AI tools are great for automating tasks such as job postings, interview prep, and note-taking. But critical decisions — like selecting candidates for interviews — should remain in the hands of skilled hiring professionals.

Building a Diverse and Inclusive Team

Companies tackling complex problems need creative and varied perspectives. To attract and retain diverse talent, you'll need to address several key areas:

- Perception: How does your company's culture come across to candidates? Does your "About Us" page reflect your values?
- Flexibility: Are your work policies inclusive, such as offering returnships, parental leave, or part-time options?
- Job Specs: Limit "must-have" requirements to essential skills to avoid alienating potential candidates.
- Interview Panels: Ensure diversity in the hiring process, so candidates feel represented and valued.

The Rise of the Full-Stack Developer

The ability to "do more with less" makes developers skilled in both backend (e.g., Node, Golang, Python) and frontend (e.g., React, Vue) a hot commodity. But today's full-stack professionals need breadth as well as depth. Flexibility and adaptability are critical for engineers navigating cross-functional teams and diverse project demands.

For hiring managers, this means rethinking interview strategies. Focus on open-ended technical questions and pairing sessions that reveal how candidates approach problems, not just the quality of their code.

2025

Hiring Advice.

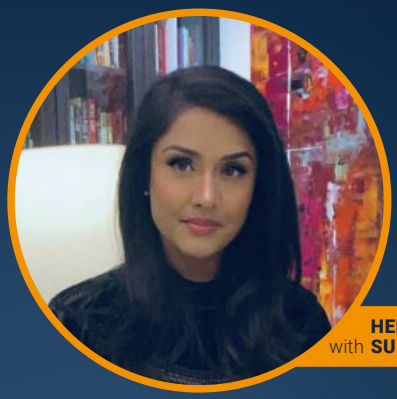
TalkingTECH

RECENT EPISODES

Click to view



WILLIAM with WARNE



HEENA with SURANI



MATT with WHITWORTH

Talking Tech is Client Server's video podcast streamed on LinkedIn.

Every episode we focus on a particular trend in the UK's tech scene. We've had shows about women in tech, the hiring market, career development, and more.

Keep an eye on our LinkedIn page for episodes or get in touch if you want to be on our next one!

Client Server
Technology Recruitment

London.

80 Cheapside
London, EC2V 6EE
United Kingdom

P: +44 20 7090 2500
E: info@client-server.com

Esher.

Thames Mews, Portsmouth Road
Esher, KT10 9AD
United Kingdom

P: +44 20 7090 2500
E: info@client-server.com

Europe.

2 Fitzalan Road
Cardiff, CF24 0EB
United Kingdom

P: +44 20 7090 2500
E: info@client-server.com

USA.

8911 North Capital of Texas
Highway, Suite 4200 #1237
Austin, TX 78759

P: +1 737 746 0050
E: info@client-server.com

Check us out.

www.client-server.com

Get in touch.