

# COVID-19 State of the European Tech Recruitment Market

—  
by talent.io



# Introduction

**Are tech companies still hiring? Are tech professionals still looking for new jobs?**  
**An update on the state of tech recruitment during the COVID-19 public health crisis.**

As the economy wrestles with **COVID-19**, businesses are at a crossroads. Certain industries are particularly affected: devastatingly for the startup industry. Indeed, among the most impacted have been businesses of **under 200 employees** which are less resistant to the crisis than bigger firms. Many businesses are cutting work hours in tandem with falling demand, as governments offer schemes to support partial employment. Some have been forced to halt growing their tech teams, or even to let teams go.

Yet, many businesses have found the means and resources to continue to play the long game, with the aim to **emerging in a stronger technical position**. In many cases this has taken fast mobilisation and a 180° turnaround in **business strategy**. Tech startups have found their agile cadence and flexible work environment come in handy (at talent.io, it was a matter of hours to move the entire company to remote work).

Needless to say that much of the response is **industry-dependent**. The battering taken by the travel sector is unprecedented and hard to mitigate in current circumstances. Yet while the economy tries to stay afloat, it is vital that industries and businesses fight to **stay strong**. They should **adapt** in whichever ways they can, in order to keep turning profit by providing useful products and services. Right now, the best businesses can do is try to look for **opportunity** while the ecosystem is changing.

As part of talent.io's purpose to support the tech ecosystem, we want to shed light on the impact of the recent COVID-19 outbreak on tech employment. In this report, you will find insights on the following topics:

- **how COVID-19 has affected the number of newly created tech positions**
- **how tech teams adapt to the situation**
- **how recruitment strategies and acquisition channels evolve**
- **which cities and industries seem to be the more affected**

***So how is the tech industry faring? Tech professionals have until now been in high demand - not enough people have the right skills to fill all the available jobs. Is this still the case? Is the tech industry taking COVID-19 in its stride?***

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- Step up your remote game
- Stay in the know to build a calculated response

# Preamble

## Headline findings

- **38% of tech companies surveyed in Europe stated that their tech hires are currently frozen for all or most of their permanent positions**, based on a survey conducted by [talent.io](https://www.talent.io) to tech companies in France, Berlin, Munich, Hamburg, London and Amsterdam.
- **Mid-march, the number of companies creating new job listings for tech positions dropped 50% compared to traditional volumes.** [talent.io](https://www.talent.io) has been monitoring the most popular public job boards (Indeed, Glassdoor, LinkedIn) on a weekly-basis for years, and it appears that this metric dropped from more than 4000 companies a week to 2000.
  - Country breakdown:
    - 45% in Paris
    - 60% in Lyon, Lille, Bordeaux, Toulouse (aggregated)
    - 57% in London
    - 55% in Berlin and Munich
    - 68% in Hamburg
    - 70% in Amsterdam
- **As companies hold their spending**, our survey suggests a change in use of recruitment channels: **most paid recruitment services experience a 50% drop in usage from our respondents** (job boards, ads, agencies, platforms).

# Study data sources

We looked at a wide range of sources and data to deliver a holistic insight on tech hiring activity. This study focuses on data from the tech industry across 5 European countries: France, the UK, Germany, the Netherlands and Belgium (the markets in which **talent.io** currently operates).

We are working to enrich our study further! **You can participate here.**

If you have any questions about our dataset, or specific insights you would like to know more about, please reach out to us at [growth@talent.io](mailto:growth@talent.io).



**talent.io's platform activity**



**Job boards**



**Paid advertising reports**



**Europe-wide recruiter survey**

## The resulting study is based on data from:

- hiring activity of our database of 5000+ businesses (talent.io platform)
- job-seeking activity of our database of 150,000 tech professionals (talent.io platform)
- surveys based on 823 replies from our client user base
- insights from our Talent Advocates
- job board listings (LinkedIn, Glassdoor, Indeed)
- recruitment activity observed from google keywords and paid marketing campaigns (Google Ads, Facebook, LinkedIn and via Google Analytics)
- individual job-seeking activity observed from paid marketing campaigns (Google Ads, Facebook, LinkedIn and via Google Analytics)

A.

# The impact of COVID-19 on the tech recruitment market

# 1. Impact on existing tech teams

First things first: **75% of businesses report minimal effects** on their current tech teams.

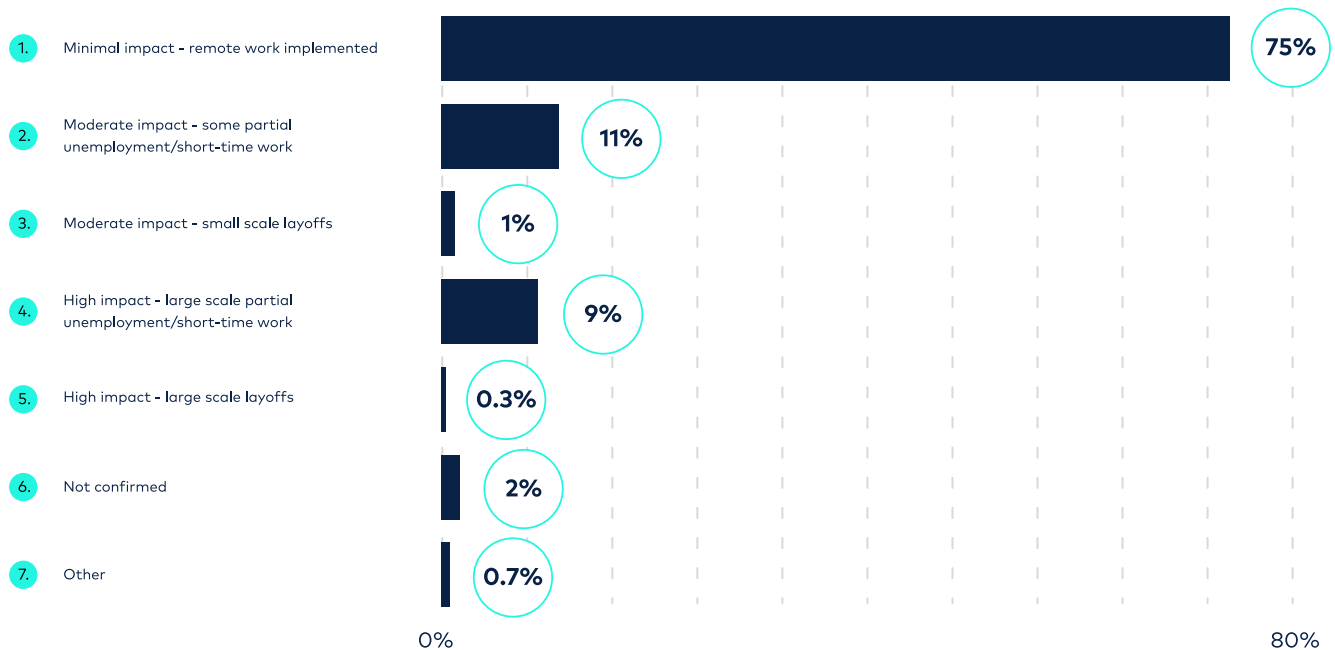
This means that other than the shift to remote work, business continues as usual.

Approximately **12% of teams have felt moderate impact** with part of the tech team placed on part-time work programs (part time work compensation schemes have been rolled out by governments across Europe) or undergoing small-scale layoffs.

Approximately **9% of teams have felt higher impact** with the entire tech team placed on part-time work. Under **2% have experienced widespread layoffs** as a result of COVID-19.

Under 3% are still unsure of the mid-to-long term impact.

## Impact of COVID-19 on existing tech teams



*What is the impact of COVID-19 on your existing tech team?  
Source: talent.io public survey April 2020, 823 respondents*

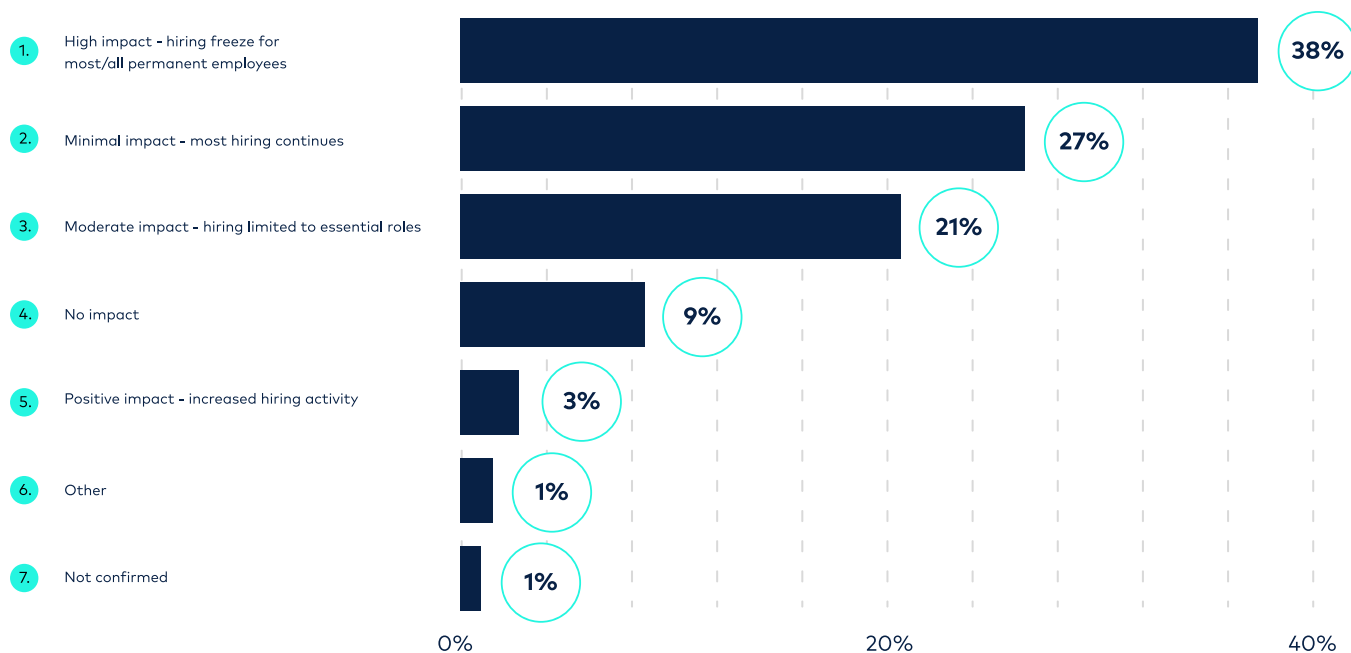
## 2. Impact on tech recruitment for permanent positions

### 2.1 Companies report important revisions to recruitment plans

To investigate the impact on hiring plans for tech teams, we conducted a survey of recruiters we work with, asking about the impact of the public health crisis on their recruitment strategy. So far, we had 823 respondents.

As of April 20th 2020, the highest percentage of respondents (**38%**) reported a **high impact on their planned hiring activity, meaning total-or-near-total tech hiring freezes**. With 27%, the second-largest group reported minimal impact to tech hiring - meaning that the majority of the hiring for these companies would continue as previously planned. 23% of companies are currently carrying out their hiring plans only for hires which they judge 'essential'.

### Reported impact on tech hiring



Source: talent.io public survey April 2020, 823 respondents



## 2.2 There is a significant decrease in new tech jobs on job boards

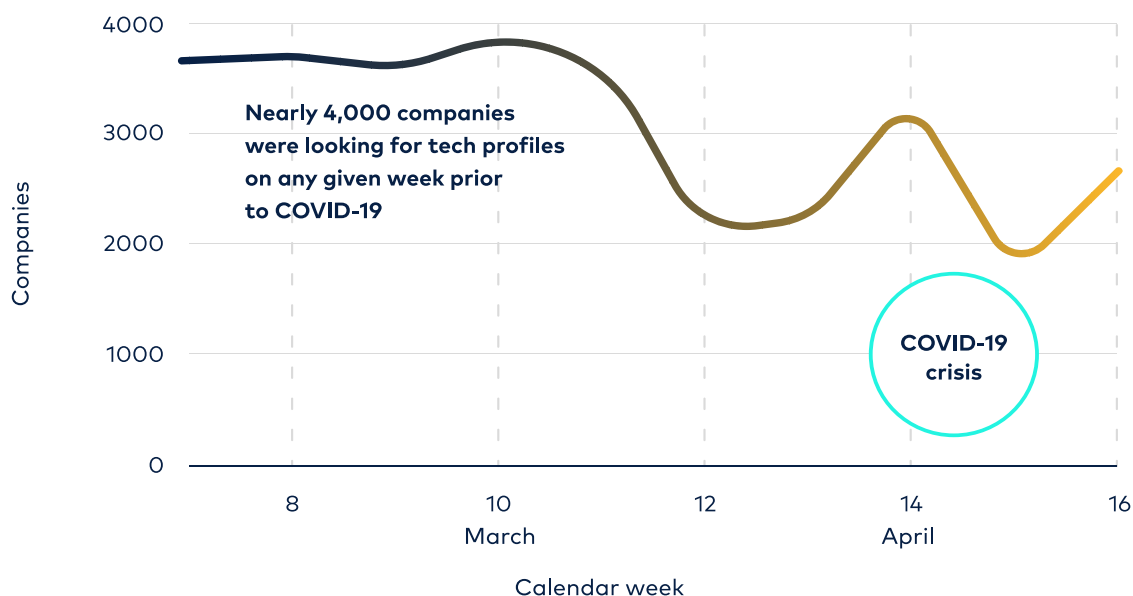
At [talent.io](https://www.talent.io) we monitor European job boards on a weekly basis for intelligence on the tech job market. As stronger warnings and social distancing measures started to kick in across Europe at the start of March, we observed over a 50% drop in the number of companies posting new tech job listings.

The drop and subsequent plateau continued over three weeks (from c. 01/03 to 21/03), at which point the volume of tech job listings picked up again sharply as tech businesses settled into remote work, rising back towards typical pre-COVID levels of 3000-4000 companies creating posts for open tech job positions weekly.

The return to 'normal' levels has **not yet stabilised**. In early April a second decrease occurred in the number of companies posting open tech positions. This could reflect a re-adjustment as it became increasingly clear that the impact of COVID-19 could not be contained quickly and that lockdowns and social distancing measures would continue for at least the mid-term.

In most recent weeks (from mid to late April) the number of companies posting open tech job positions on a weekly basis has again started to follow **an upward trend** across all markets in this study. These are now at approximately 70% of 'normal' levels. It remains to be seen whether this trend will stabilise over the coming weeks.

### Companies creating new tech positions - France, Germany, the UK and the Netherlands



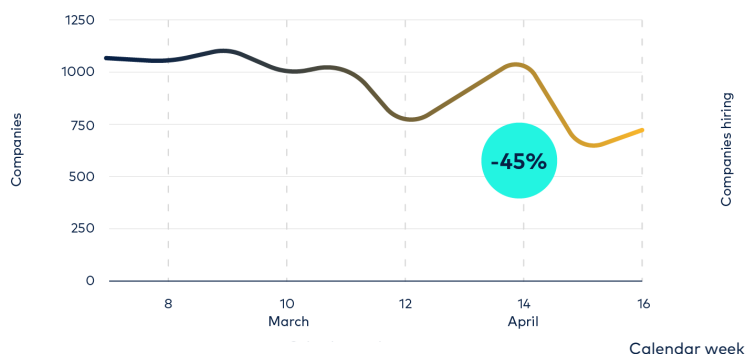
Companies creating new tech positions in France, Germany, the UK and the Netherlands  
Source: Indeed, LinkedIn, Glassdoor - April 2020

While the volume of new tech job posts being posted on job boards has followed the same broad trend across all markets in our study, the scale of the effect on individual markets has varied significantly.



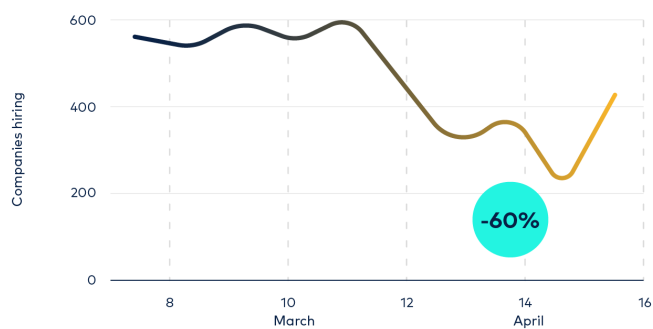
## France

**Companies creating new tech positions - Paris (France)**



Newly hiring tech companies in Paris.  
Source: Indeed, LinkedIn, Glassdoor - April 2020

**Companies creating new tech positions - Lyon, Lille, Bordeaux and Toulouse (France)**



Newly hiring tech companies in Lyon, Lille, Bordeaux and Toulouse.  
Source: Indeed, LinkedIn, Glassdoor - April 2020

Of the markets in our study, tech job positions being posted on job boards for the Paris market appear to have been the least affected.

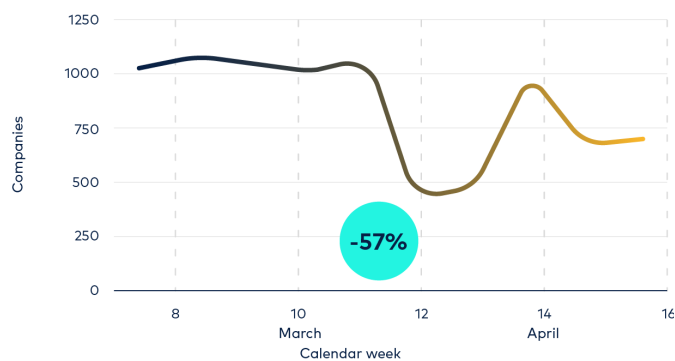
French markets outside of Paris have been strongly affected but are currently showing a good recovery since week 15.



## London

Tech job posts for London suffered the greatest initial shock (c. CW11-12) but were less strongly affected in comparison with other markets at the second decrease (c. CW14-15).

**Companies creating new tech positions - London (UK)**



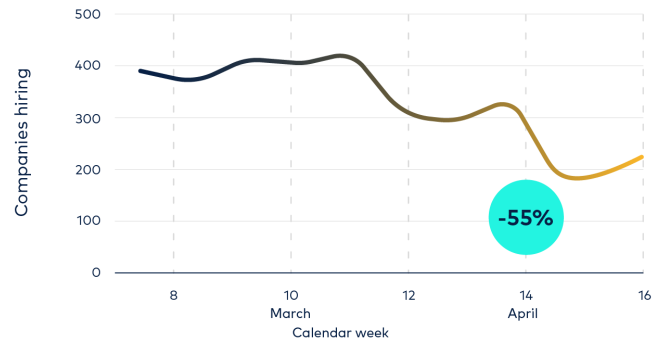
Newly hiring companies in London.  
Source: Indeed, LinkedIn, Glassdoor - April 2020



## Germany

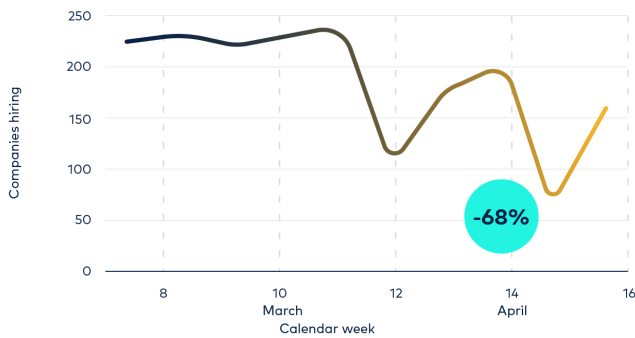
The second decrease in tech job posts was particularly notable in German markets, however these are currently showing a good recovery.

### Companies creating new tech positions - Berlin (Germany)



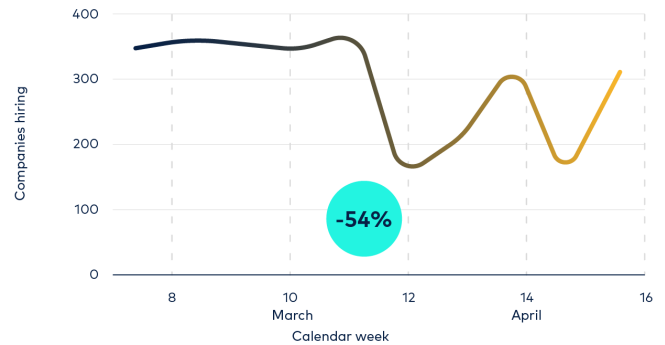
Newly hiring companies in Berlin.  
Source: Indeed, LinkedIn, Glassdoor - April 2020

### Companies creating new tech positions - Hamburg (Germany)



Newly hiring companies in Hamburg.  
Source: Indeed, LinkedIn, Glassdoor - April 2020

### Companies creating new tech positions - Munich (Germany)



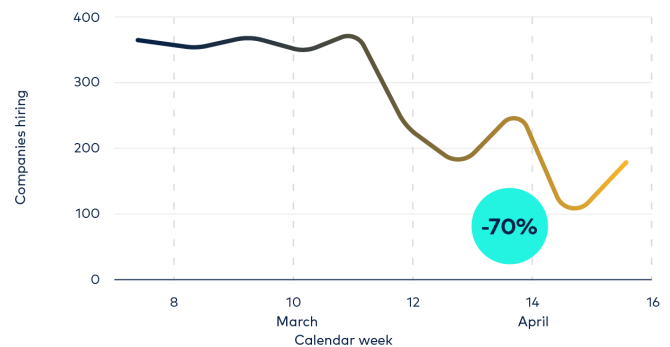
Newly hiring companies in Munich.  
Source: Indeed, LinkedIn, Glassdoor - April 2020



## Amsterdam

The volume of tech job positions being advertised on job boards for the Amsterdam market has been hit hardest than other main cities, with a 70% decrease in new creations of tech positions.

### Companies creating new tech positions - Amsterdam (NL)



Newly hiring companies in Amsterdam.  
Source: Indeed, LinkedIn, Glassdoor - April 2020

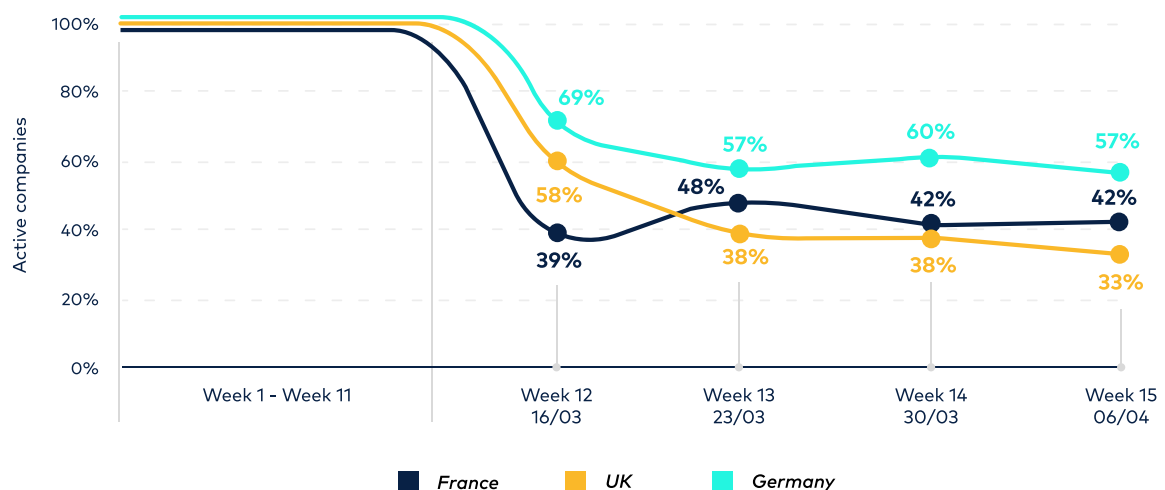
## 2.3 Interaction between recruiters and job seekers has suffered

How have the revised hiring plans and lower volume of tech jobs appearing on job boards been reflected in the contact between companies and tech professionals?

**We analysed internal engagement metrics collected from activity on the [talent.io](#) platform.** In the worst-affected markets, these suggested a drop of **up to 70% in the volume of interview offers made to candidates.**

### Engagement in recruiting activity: down 40-70%

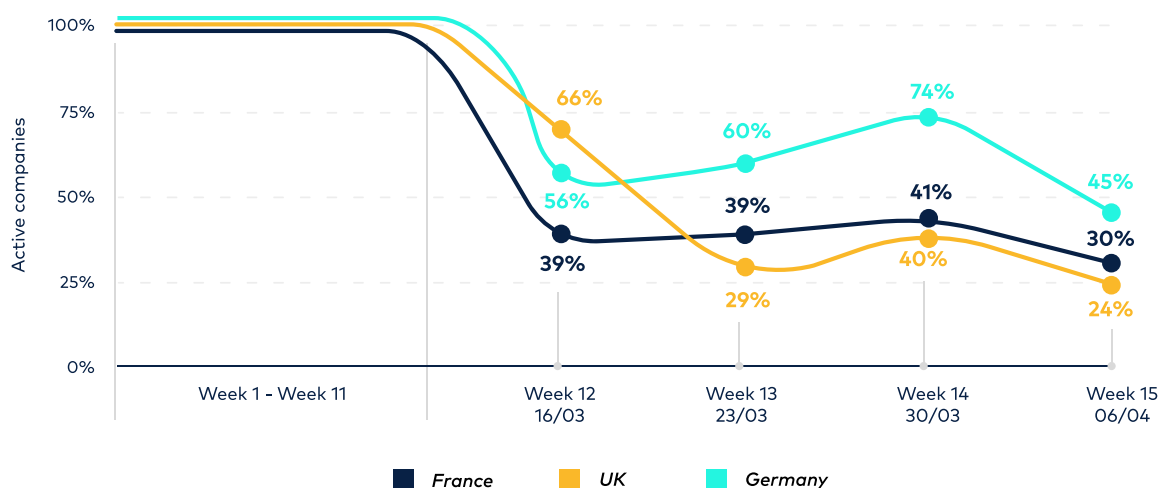
% of companies recruiting in 2020 weeks 12-15 vs. week 1-11 average (100% = normal levels)



Source: talent.io platform activity

### Companies making interview invitations: down 35-75%

% of companies reaching out for interviews in 2020 weeks 12-15 vs. week 1-11 average (100% = normal levels)



Source: talent.io platform activity

## 2.4 Searches for tech hiring felt less impact than the wider recruitment market

The initial drop in job listings, engagement and outreach corresponded with a decline from c.March 10th in the number of **google searches** being made for terms related to recruitment, which coincided with the increase of COVID-19 cases in Europe.

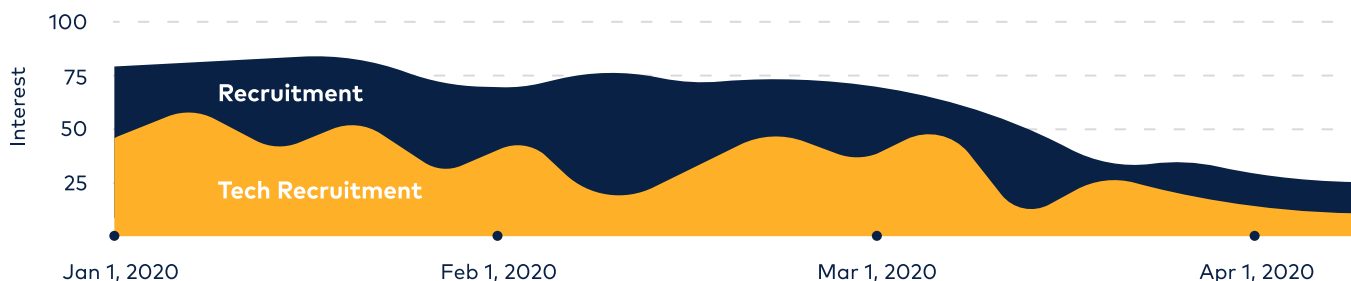
### *Google searches: interest over time*

*Numbers represent search interest relative to the highest point on the chart for the region and time.*

*A value of 100 is the peak popularity for the term.*

*A value of 50 means that the term is half as popular.*

### Evolution of searches for keyword **recruitment** VS searches for keywords **tech recruitment**

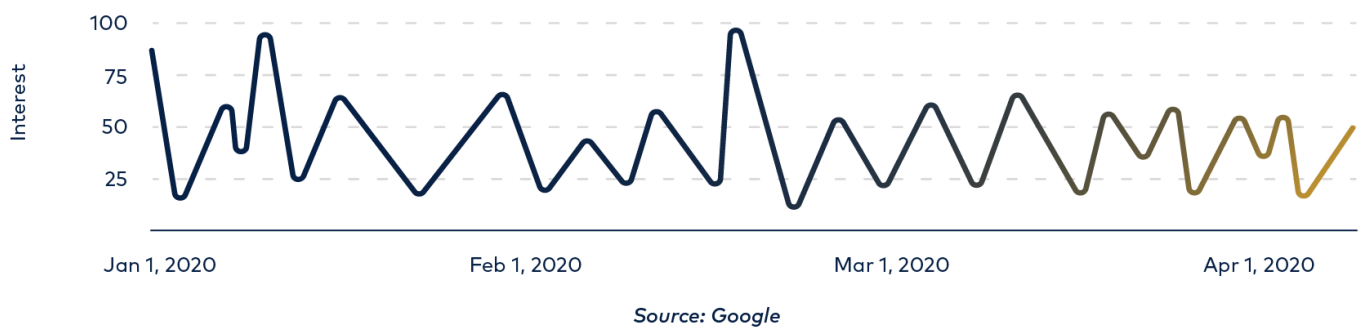


Source: Google

**Comparing 'tech recruitment' to broader 'recruitment' keywords:** while both experience a decrease in searches, generic recruitment searches have suffered a sharper decrease.

It is a good sign for the health of tech businesses that under the same conditions tech recruitment searches have bounced back more strongly towards pre-COVID levels, if still without as many search spikes as before.

## Google searches for the keywords 'hire developer'



Encouragingly for developers in particular, normal google 'interest' levels of c.20-60 (healthy for narrow search terms) have continued **unaffected for more narrow developer-hiring keywords** (if, again, without the previous spikes appearing in search activity).

**To summarise:** the impact on tech jobs being posted online each week to job boards was coherent across all markets in this study. These experienced two significant decreases; at the time of writing this report the volume of new tech jobs appearing is on a uniform upward trend.

Search activity for tech recruitment terms has also made a recovery, although for the moment this remains at the low end of 'normal' levels.



The repeated bounce-back in hiring levels illustrates the flexibility tech teams can have in their work environment. It also demonstrates a belief among companies that good technical products are worth investing in for long term success, regardless of short term circumstances.

## 2.5 Impact has varied according to industry

### Struggling sectors



Travel



Real estate



Manufacturing



The three most negatively affected industries are **Travel, Real Estate** and **Manufacturing**. Their disengagement from recruiting extends to technical roles.

The **Travel Industry** has been in headline news as cross-border travel is prohibited, holidays are cancelled and people throughout Europe are asked to stay at home. Both long-distance and domestic travel is affected and industry recovery is now predicted to take years. As travel companies warn **bankruptcy** over the inability to pay out refunds, layoffs have overtaken hires in all departments.

**Real Estate** has also received a blow. Surveyors are unable to physically assess properties, the legal purchase process (which usually takes several months, at minimum, to complete) is on hold and banks have stopped mortgage-lending. In the UK, the housing market has been officially frozen by the government.

The halt in **Manufacturing** has received widespread publicity, not least from climate headlines. Manufacturing has been highly vulnerable to the economic effects of COVID-19. This industry is mostly led by China, the first country to be seriously impacted by the virus, and one which usually relies on the worldwide export of its products and requires the physical presence of workers.

There is hope: China has now contained its COVID-19 outbreak and factories are restarting. Imports will take longer to recover and depend on conditions within other countries.

# Thriving sectors



AG Tech



Media Tech



Big data /  
Data analysis



Seeing the highest upturn within the current situation are the **AgTech, Media** and **Big Data** industries.

The need for worldwide **food supply** remains amid the public health crisis. Traditional agriculture is under pressure from ever-increasing demand, and due to current travel restrictions - a shortage of seasonal workers. In response, much investment is being poured into systems which drive efficiency in the food supply chain and mitigate disruption. **AgTech** is at the forefront.

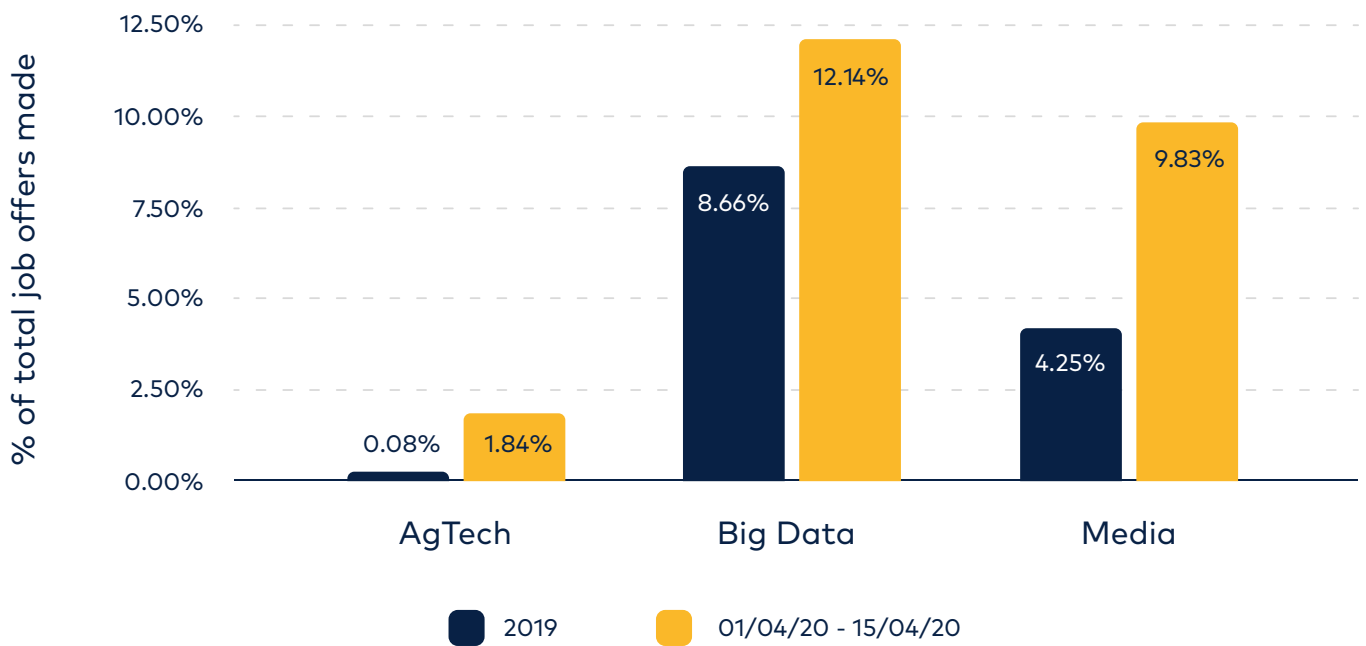
Demand for **Media & Communication** technology has surged as people entertain themselves under lockdowns and social distancing measures. Technologies are playing a **leading economic role** by providing jobs in the M&C sector, providing communication channels for use by other businesses and easing the mental health strains of social distancing for individuals.

***Netflix has promised a reduction in streaming quality to avoid crashing the internet and remote work might have turned us into the Zoomer generation. Meanwhile Facebook is adding major server power to prevent a meltdown in markets where its active user base had hitherto been decreasing.***

Finally, **Big Data** is in higher demand than ever as countries, institutions, businesses and individuals **monitor the pandemic** and its effects. Data-gathering and analysis are essential for scientists, policy-makers and business leaders to have an ongoing understanding of the situation and form adequate responses to the pandemic as it develops.



## Industry share of tech job offers made: 2019 vs. first half of April 2020



Source: talent.io April 2020

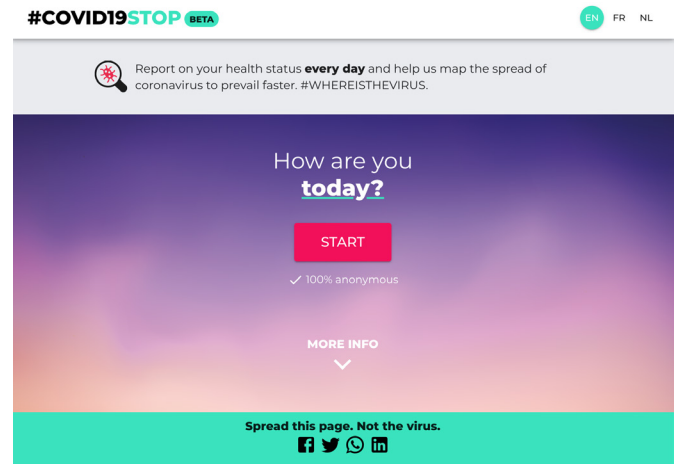
Comparing the job offers made for technical positions via [talent.io](https://www.talent.io) by **AgTech, Big Data** and **Media businesses** (as a percentage of the total job offers made across all industry sectors) we can see a **significant rise from 2019 levels** occurring in the first half of April 2020 (a point at which we have observed first recovery in overall levels of tech job creation, as discussed above).



# Fresh initiatives

Many companies have reacted, regardless of their usual industry, by **stepping into the gap** and turning their tech directly on the problems posed by COVID-19.

A data-related example is **this initiative** by AI company **Sagacify** to help track the spread of the virus.



**125,198 already reported their health status, let's keep doing better!**



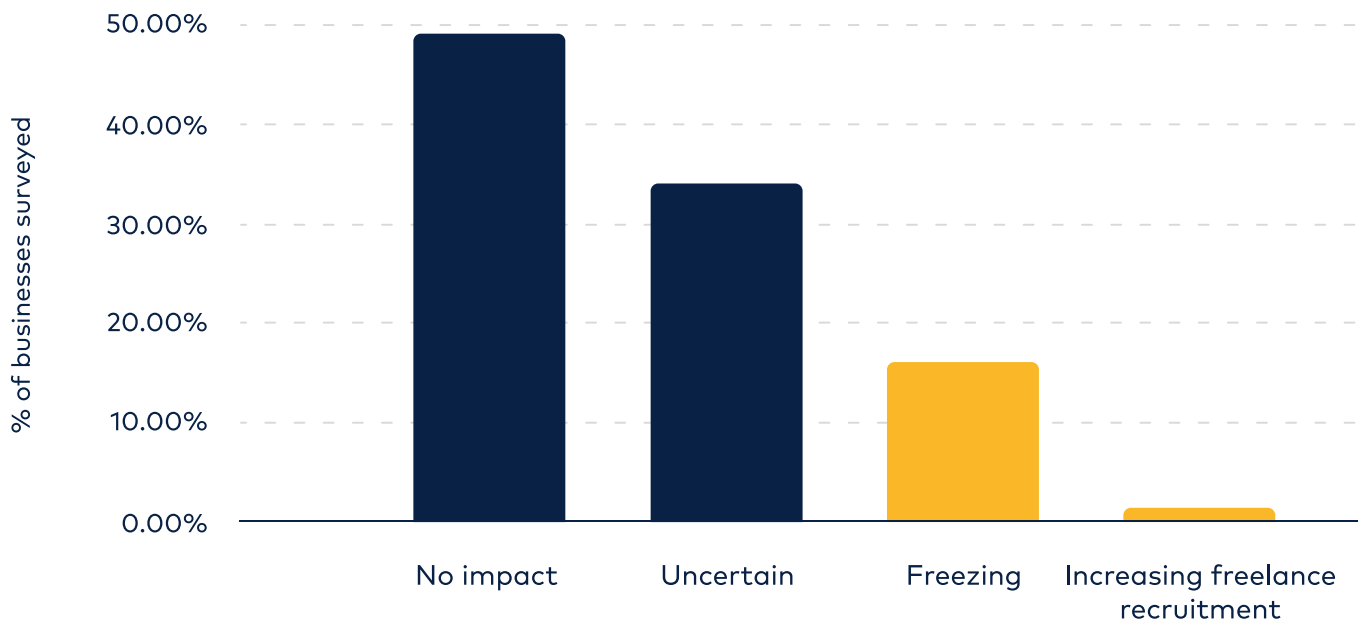
Platforms **Das Land hilft** and **Clever Ackern** have joined forces to help organise some of Germany's 300,000 missing agricultural workforce.

Tech businesses are finding ways to pull through by providing **essential data, health services and enabling social distancing** through greater virtual connectivity. As recruitment processes are intrinsically linked to business results and innovation often relies heavily on tech, some companies have continued or even **increased tech hiring**.

**Many of the most disruptive and recognisable tech giants today, Airbnb (2008), Whatsapp (2009), Uber (2009), were founded following the 2008 financial crisis. Change forces innovation - technology is at the forefront and strong tech teams are crucial to success.**

### 3. Impact on the Freelance tech market

#### Impact of COVID-19 on tech freelancer hiring



*talent.io survey conducted on 823 companies in Europe - April 2020*

*What about freelance tech jobs? Are businesses relying more on short-term employees, or cutting down on external contracts?*





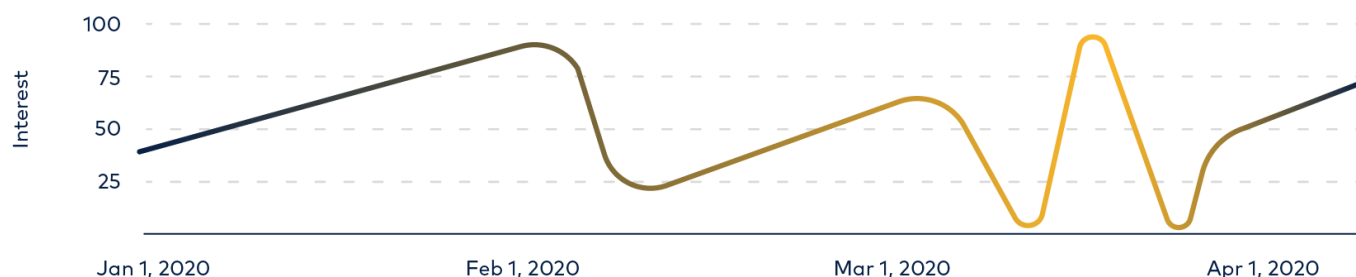
From a study conducted on 823 hiring companies and from the volume of freelance projects being generated via the [talent.io](https://www.talent.io) platform over the past month, we see the following response from the freelance tech job market:

- 50% of freelance tech hires remained unchanged
- 35% of the market had yet to formulate a response (*as of the start of April 2020*)
- 15% of freelance tech hires were put on hold
- a minority of companies increased freelance tech hires over permanent hires

Increased hiring of tech freelancers was predominant among large corporate enterprises in order to increase tech productivity to meet a **short-term surge in demand**. This is good news for the overall volume of freelance hires as corporate enterprises tend to have larger tech teams.

The trend in google searches for freelancer hiring terms supports a hypothesis of relative stability in the freelance market. Though experiencing the same impact to activity as felt by permanent hiring, searches for the hire of freelancers have so far recovered quickly and completely.

## Google searches for the keywords 'hire tech freelance'



Source: Google

**B.**

# Engagement with tech recruitment channels

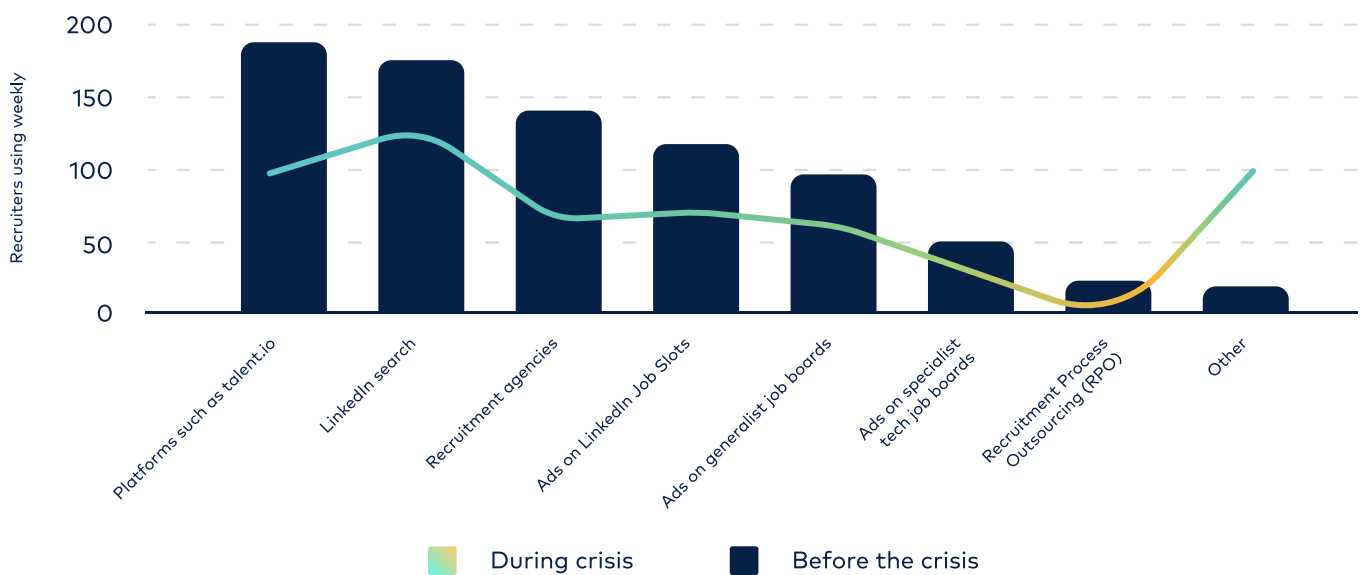
# 1. Evolution of talent acquisition channels during the crisis

Lower levels of recruitment activity has been matched by decreased use across the range of major tech talent acquisition channels.

LinkedIn has experienced the least change, becoming the most popular channel as 68% of respondents continue to use the platform. The second highest retention has been for online platforms, such as [talent.io](#). The biggest impact has been on the use of recruitment agencies, a decrease of over 50%.

Probably as a way to cut spending, recruiters report turning to many alternative channels which see an increase in usage.

## Evolution of tech talent acquisition channels for recruiters



source: talent.io survey conducted on 823 companies in Europe - April 2020

## 2. Tech job-seeker behaviour

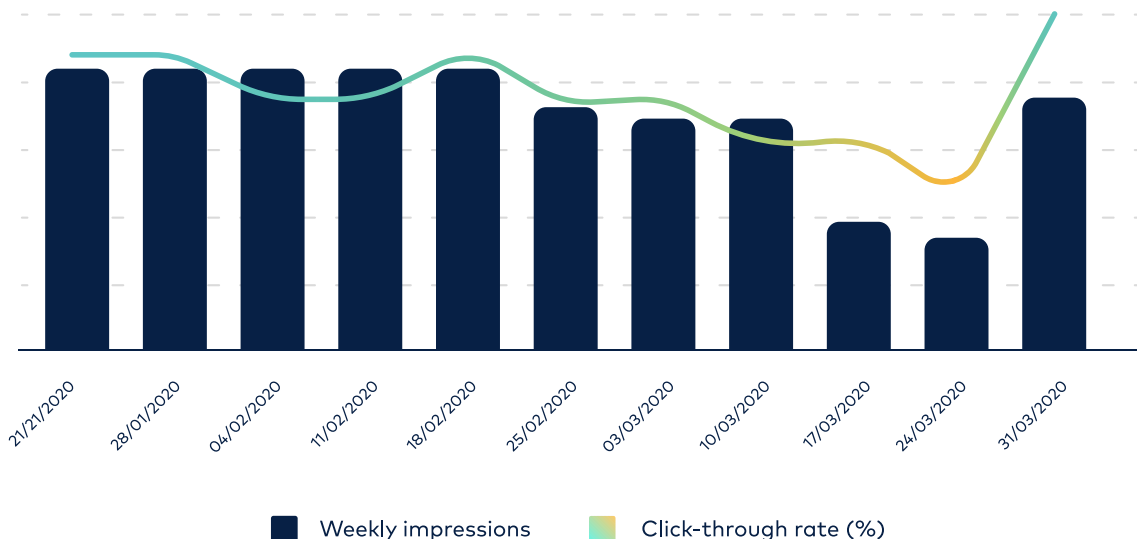
### 2.1 Tech professionals are still making high volumes of job searches

How is the applicant side of the tech job market responding? We looked at data surrounding the impact of the crisis on the **activity** and **engagement** of job-seeking tech professionals.

As a proxy, we analysed metrics from our **paid advertising campaigns**, based on hundreds of thousands of weekly impressions on LinkedIn and Google.

The data suggests that tech job-seeker activity and engagement are back to normal levels, after a few weeks where the focus of many people was, most likely, devoted to the COVID-19 situation.

#### Impact of COVID-19 outbreak on online paid ads campaigns for tech job seekers



Source: talent.io online paid ads campaigns on Google and LinkedIn

The volume of impressions **clearly shows a sharp decline in tech job related searches from mid to late March**. This translated into fewer searches for tech job keywords on Google and may suggest a decrease of traffic on LinkedIn, our main purveyor of ads.

However, at the end of March the volume of impressions on advertising for tech jobs rose back strongly to normal levels, whilst apparent interest (measured by ads click-through rate) increased, topping pre-COVID-19 levels.

This graph displays a similar pattern to the graph of tech job listings being made by businesses. It shows an initial sharp decline in activity as COVID-19 becomes prevalent in Europe, followed by a recovery as workers adapt to new conditions.

***For the first fortnight in which COVID-19 began disrupting businesses in Europe, tech professionals were **distracted away from job hunting**. Since then, job searches have returned to their previous volume - but with far higher levels of engagement.***

This higher engagement with tech job search results does not appear to correlate with job-seeker seniority or tech role. Searches have been affected equally for junior, senior, backend, frontend and all other tech job positions.

This means that tech professionals:

1. are **looking for new jobs** at pre-pandemic levels
2. appear to be **more responsive** to job ads at this time

These results support the same observation made anecdotally by our Talent Advocates.

In fact **there has been a significant surge in requests for coaching and advice from TAs at talent.io.**





## 2.2 New messages resonate with job-seekers

The **key advertising messages** which resonate with tech professionals have been affected:

### New messages are resonating

Key messages	Engagement
▶ Company and project quality	↑ 40%
▶ Straightforward hiring process	Stable
▶ Expert job-hunting advice	↑ 45%
▶ Demand for your profile	Stable

*Source : talent.io ads on LinkedIn, Facebook, Google and talent.io Analytics*

Messages about the quality and strength of businesses, projects, and access to advice from tech recruiting specialists have received the highest increase in engagement.



Tech professionals care about these messages: now is the moment to build strong tech teams for the long-term success of tech products.



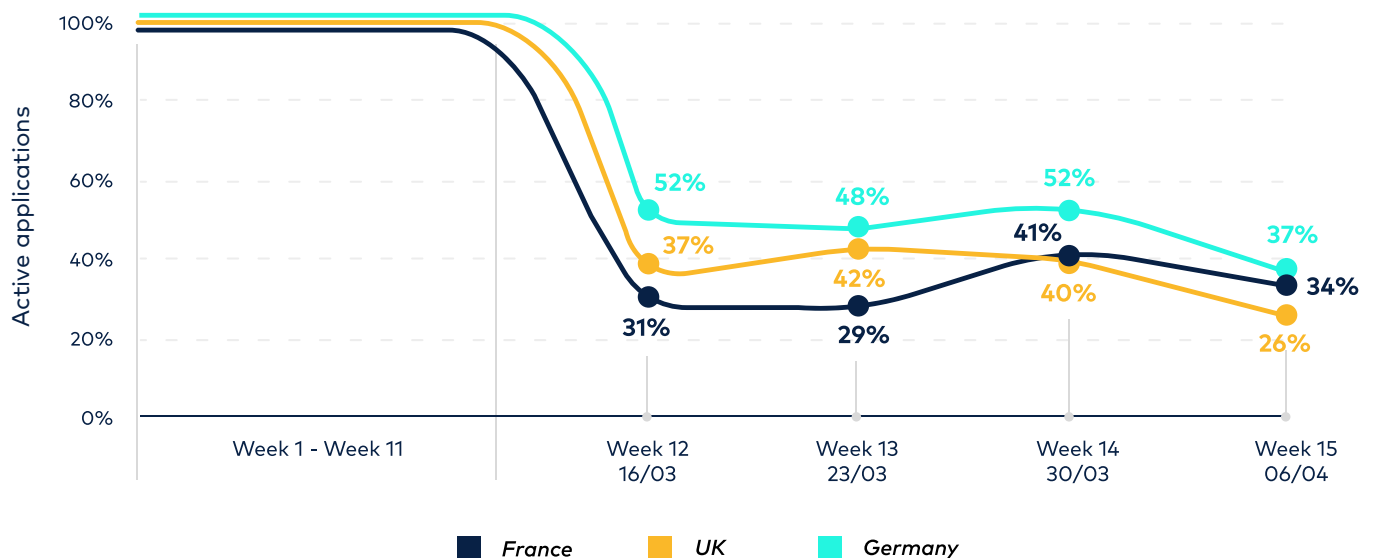
## 2.3. Overall, supply currently matches demand

Although tech professionals are searching for new jobs in 'normal' volumes, the number of individuals actively engaging with potential new employers has gone down 50-75%. It may be that the uncertainty of the global economic situation is causing many people to be cautious in taking the final plunge to change job positions at the moment.

**It does mean, however, that supply currently matches demand.**

### New applications on talent.io

% of tech professionals job-seeking in 2020 weeks 12-15 vs. week 1-11 average (100% = normal levels)



Source: talent.io platform activity

Whilst numbers of active job-seekers decreased suddenly, these new levels are now remaining stable. We look forward to seeing the steady return of an upward trend as the global economic situation develops, stabilises and loses its current uncertainty.



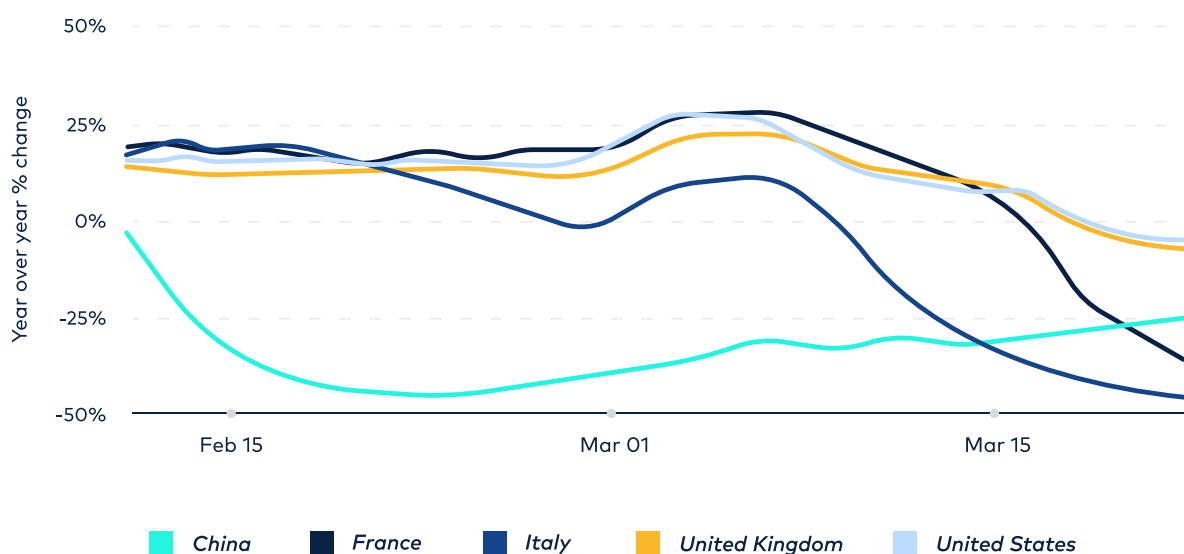
# Conclusion

It's difficult to predict how events will unfold in the months to come. Our best guess is to look at China's situation - a country that's a few months ahead of Europe regarding the outbreak situation.

According to LinkedIn, hiring rates in China went as low as -50% in early February compared to previous year - before starting to increase again in late February. A month later, they were still on average -25% compared to 2019, which suggests that Europe could be looking at many more months with significantly lower hiring rates than usual.

## Countries around the world are in different stages of uncertainty

LinkedIn hiring rate year over year



LinkedIn data compares hiring rates year over year in China, France, Italy, the UK and the USA, and suggests a slow process to get back to normal levels.

These numbers, although they suggest a gradual growth, should not hide the fact that businesses and the way we work will be significantly and durably impacted.

Will *remote-everything* become the new norm? When will the economy get back to pre-COVID-19 levels? Despite not knowing the answers, we would like to invite you to:

## Step up your remote work game

It is likely we will go through a lengthy transition period (the so-called "*dance*" phase) where governments alternate between confinement phases and a more "normal" way of life. Therefore, it's essential for managers to get better actively at dealing with remote work, as it will most likely be part of the new norm. Here are interesting resources that we recommend:

[GitLab's Guide to All-Remote](#)

[talent.io's guide to building your tech team with remote hiring](#)

[Awesome remote work](#) a collaborative list of great resources about remote work

[Stay at home wiki](#)

We are also hosting **weekly webinars** where we invite experts and coaches to help you adapt to the current situation.



[Check agenda!](#)

## Stay in the know to build a calculated response

Whilst political leaders set the tone of the national and international response, it is up to companies to produce knowledge within their expertise available to guide wider business response within these new frameworks.

We recommend the studies below for insights into COVID-19's business impact:

<https://www.mckinsey.com/business-functions/risk/our-insights/covid-19-implications-for-business>

<https://www.bain.com/insights/topics/coronavirus/>

<https://about.beauhurst.com/wp-content/uploads/2020/04/COVID-19-Business-Impact.pdf>

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