



Q1 MARKET UPDATE

Q1 Hiring Market Overview

The hiring landscape in Q1 has moved beyond the caution that defined much of last year. Hiring activity has increased across sectors, but the underlying behavior of both employers and talent has changed in more meaningful ways than volume alone suggests.

Compared to 2025, organizations are no longer operating in a holding pattern. Budgets have reopened, projects have been approved, and hiring has resumed with greater intent. At the same time, this is not a return to expansive or speculative hiring. Every decision is more deliberate, with a clear expectation that new hires will deliver measurable impact.

The hiring market in Q1 is more active, but also more selective.

The Shift in Hiring Demand

One of the most significant changes from last year is the shift in hiring mix. In 2025, a large proportion of hiring activity was driven by replacement needs. Organizations were focused on maintaining business continuity, often hiring like-for-like to fill gaps. In Q1, that approach has given way to a more forward-looking model.

Newly created roles are now outpacing backfills in many areas. These roles are typically aligned to specific business priorities such as scaling operations, improving efficiency, or delivering on new initiatives. Hiring is increasingly tied to defined outcomes rather than headcount targets.

This reflects a broader change in how organizations are thinking about growth. Expansion is happening, but it is controlled and purposeful as employers are investing in capability.

Increasing Demand for Commercially Driven Talent

Demand patterns across the market point to a clear preference for professionals who can combine technical expertise with commercial awareness.

Compared to last year, where stability and experience were often enough, employers are now prioritizing individuals who can contribute immediately and operate with a high degree of autonomy. There is a strong emphasis on professionals who can manage stakeholders, influence decision-making, and deliver results within complex environments.

Mid-level and senior professionals are at the center of this demand. These individuals are often expected to bridge the gap between execution and strategy, taking ownership of projects while also contributing to broader business objectives.

KEY TRENDS



Hiring is up, but companies are far more selective about who they hire.



Businesses are creating new roles for growth, not just replacing leavers.



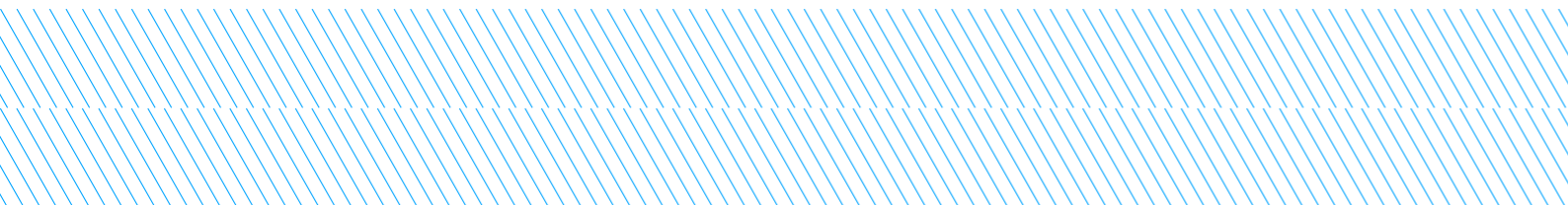
Employers want people who can make an impact immediately.



Some roles are filling fast, while others are dragging due to lack of priority.



Slow hiring processes are costing companies their best talent.





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Vacancy Growth

Vacancy levels have increased compared to both late 2025 and the same period last year. However, this increase is not evenly distributed across the market.

Roles that are closely aligned to revenue generation, operational delivery, or transformation initiatives are moving quickly and attracting strong competition. In contrast, positions that lack clear strategic importance or are subject to internal uncertainty are progressing more slowly.

This has resulted in a more segmented market. High-priority roles are being filled rapidly, often with multiple competing offers. Lower-priority roles are more likely to experience delays, evolving job scopes, or extended approval processes.

Compensation Trends

Compensation has remained relatively stable compared to 2025. The significant salary increases seen in earlier cycles have not returned, and most organizations are maintaining established salary structures.

However, this stability masks ongoing competitive pressure. Those with niche expertise or a proven ability to deliver impact are commanding premium offers. In these cases, organizations are willing to exceed standard salary ranges to secure the right individual.

At the same time, a gap has emerged between employer expectations and talent requirements. Many professionals are seeking compensation that reflects both market conditions and rising living costs, while employers remain cautious about increasing fixed costs. This misalignment is contributing to longer hiring timelines and, in some cases, unfilled roles.

Counteroffers continue to play a role, particularly for high-performing individuals. While not as widespread as in previous peak periods, they are still influencing hiring outcomes and contributing to hesitancy.

Candidate Behavior

Talent behavior reflects a more measured and strategic approach to career moves. Professionals are now placing greater emphasis on stability, career trajectory, and organizational strength.

Economic uncertainty and rising costs have contributed to this shift. Professionals are more cautious about leaving established roles, particularly if the perceived risk of moving outweighs the potential reward.

Flexibility remains an important consideration, although expectations have evolved. Hybrid working models are widely accepted, and many are more open to office-based work when it supports development and collaboration.

Hiring Processes

Hiring processes have become more structured and, in many cases, longer than in previous years. In 2025, extended processes were common but often accepted by candidates. This is no longer the case in competitive areas of the market.

Where organizations move efficiently, hiring processes are typically completed within a few weeks. Where decision-making is slower or less aligned, processes can extend significantly, increasing the risk of talent drop-out.

Common challenges include:

- Multiple interview stages without clear differentiation
- Delays in scheduling or feedback
- Misalignment among internal stakeholders
- Changes to role scope mid-process

These issues have a direct impact on hiring success. High-demand talent is less willing to remain engaged in prolonged or uncertain processes, particularly when alternative opportunities are available.

Market Outlook

The direction for the hiring market is toward continued, controlled growth.

Compared to last year, confidence has improved, hiring activity has increased, and investment in key areas is more visible. However, this growth is unlikely to translate into a broad-based surge in hiring.

Instead, the market will continue to reward precision. Organizations that hire with clear intent and move decisively will secure the strongest talent. Those who demonstrate impact and make considered career decisions will be best positioned to benefit.

The conditions are more stable than in 2025, but they are also more demanding. Success in this environment depends on alignment, transparency, and execution on both sides of the hiring process.