

Australia, June 2026

# Industry Insight Report

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**Hiring and Retaining the Right Talent**

Banking, Financial Services, & Insurance | Engineering & Technical |  
Healthcare, Life Sciences & Pharmaceuticals | IT & Telecommunications

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*Welcome to PERSOL's Industry Insight Report for 2026:*

# APAC Talent Insights for Employers: Hiring and Retaining the Right Talent

This report brings together on-the-ground perspectives from PERSOL's recruitment teams across twelve Asia-Pacific markets, covering four key sectors: Banking, Financial Services and Insurance; Engineering and Technical; Healthcare, Life Sciences and Pharmaceuticals; and Information Technology and Telecommunications.

The Asia-Pacific region is navigating a period of pronounced tension. Long-term structural demand for skilled talent remains strong, yet the near-term environment is marked by economic uncertainty, escalating trade pressures and rapid technological disruption. Artificial intelligence is actively reshaping workforce requirements across every sector, creating urgent demand for new capabilities faster than talent pipelines can respond.

The challenge for employers is no longer simply finding people; it is finding the right people and keeping them. Across every market and sector in this report, organisations are grappling with the same pressures: talent scarcity concentrated in the roles that matter most, salary expectations outpacing internal benchmarks, and professionals who are more willing than ever to move when their expectations are not met.

Retention is proving just as difficult as hiring. Compensation matters, but it is rarely the whole story. Career progression, flexibility, leadership quality and organisational culture are shaping decisions at every level of the workforce.

This report explores what is driving these dynamics, where the most acute gaps exist, and what leading organisations are doing differently. We hope it equips you to make smarter talent decisions in the year ahead.

## Industry Insights

### Banking, Financial Services & Insurance

# Australia

Australia's Banking, Financial Services and Insurance sector continues to operate in a highly competitive talent landscape, characterised by strong demand in specialised functions and evolving employee expectations.

Across the country, flexibility, career development and leadership credibility have emerged as decisive retention drivers. Employees are increasingly unwilling to tolerate rigid work models or unclear organisational direction, placing greater value on transparency, progression pathways and meaningful work.

At the same time, talent shortages remain persistent, particularly in accounting, finance, risk, compliance and analytics. Demand continues to outpace supply in several key markets, contributing to prolonged hiring cycles and increased competition for experienced professionals.

#### Talent Shortages and Hard-to-Fill Roles

Hiring across Australia remains selective and capability-driven,

with organisations prioritising business-critical positions across risk, compliance, financial analysis and AI-enabled finance.

A key challenge nationally is the shortage of professionals who can combine:

- Technical accounting or financial expertise
- Regulatory understanding
- Digital and data capability

Employers are increasingly seeking candidates who can “hit the ground running”, however the pool of immediately available, experienced talent is limited. As a result:

- Time-to-hire is being extended
- Salary pressure is increasing
- Employers are broadening search strategies (including interstate talent)

Overall, the mismatch between demand and supply continues to challenge workforce planning across the sector.

#### Employer Expectation Gaps

Expectation gaps across Australia are becoming more pronounced as workplace requirements evolve faster than talent supply.

From an employer perspective:

- There is a growing focus on AI literacy, data capability and digital fluency
- Role expectations are expanding beyond traditional job definitions
- Organisations expect faster productivity and impact from new hires

In addition, gaps are emerging in:

- **Salary benchmarking**, with some employers underestimating current market rates
- **Hiring processes**, where lengthy or overly complex approaches reduce candidate engagement
- **Flexibility**, which is now widely viewed as a baseline expectation rather than a benefit

From a candidate perspective, behaviour is also shifting.

Candidates are:

- Conducting significantly more due diligence on employers
- Assessing culture, leadership and stability more critically
- Prioritising long-term alignment over short-term gain

This shift is reinforcing the importance of employer brand, transparency and candidate experience in securing top talent.

## Industry Insights

### Banking, Financial Services & Insurance

# Australia

## Retention Challenges & Employee Expectations

Retention pressures across Australia are being driven less by salary alone and more by the overall employment proposition. Key drivers of retention include:

- Clear career progression and development pathways
- Access to modern tools, systems and technology
- Flexibility and work-life balance
- Strong, credible leadership and communication

Employees are increasingly motivated by long-term growth and skill development, rather than frequent job changes. Where organisations fail to provide clear pathways or development opportunities, employees may perceive stability as stagnation.

Flexibility has become a baseline expectation, particularly among

early- to mid-career professionals. Organisations that do not offer hybrid or adaptable work arrangements risk losing talent to more progressive competitors.

Leadership also plays a critical role. Employees expect:

- Clear and consistent communication
- Alignment between strategy and execution
- Visible responsiveness to feedback

Where leadership appears disconnected, trust declines and turnover risk increases.

## Looking Ahead

Over the next two years, success across Australia's Banking, Financial Services and Insurance sector will depend on shifting from transactional hiring to capability-led workforce strategies.

Key priorities for organisations include:

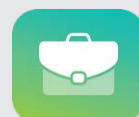
- **Strengthening skills-based hiring approaches** to better align roles with evolving capabilities
- **Investing in AI readiness and digital upskilling** across finance and commercial teams
- **Embedding internal mobility and structured career development pathways**
- **Simplifying recruitment processes** to improve speed and candidate experience
- **Enhancing employer branding** to reflect culture, flexibility and long-term opportunity

In a market where candidates are increasingly selective and informed, organisations that combine disciplined hiring execution, clear development pathways, and flexible and modern work design will be best positioned to attract and retain talent.

## KEY TAKEAWAYS



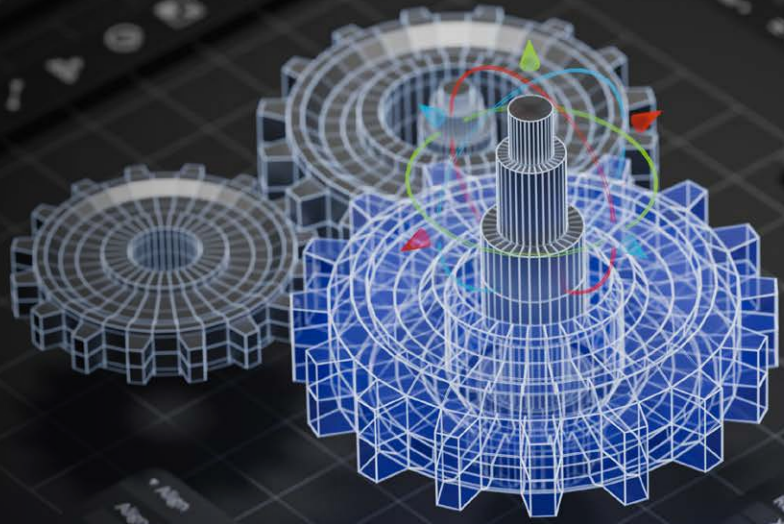
Flexibility, career growth and credible leadership are now key to keeping talent engaged.



Demand for skilled BFSI professionals continues to outpace supply, especially in finance, risk, compliance and analytics.

## Industry Insights Engineering & Technical

# Australia



Australia's Engineering and Technical sector reflects a highly competitive and constrained talent landscape, driven by ongoing infrastructure investment, energy transition initiatives, and sustained activity across construction, manufacturing, and professional services.

Across the market access to experienced technical specialists remains a key challenge. Skill depth, speed of hiring, and employer flexibility continue to be critical differentiators in attracting and securing top talent.

### Multiple Segments Facing Short Supply

Across Australia, the most difficult roles to fill continue to be experienced technical and operational positions, particularly within engineering, mining, construction, manufacturing,

maintenance, and specialist professional services functions.

We are seeing consistent shortages across areas such as:

- Project Engineers
- Electrical and Mechanical Engineers
- Maintenance Supervisors
- Reliability Engineers
- Estimators
- Commercial Managers
- Experienced site-based leadership roles

Demand remains strong for mid- to senior-level professionals with proven project delivery and leadership capability. Employers able to demonstrate flexibility, strong career pathways and competitive remuneration are better positioned to secure talent.

Environmental and contaminated land specialists also remain in short supply. Licensed asbestos assessors, hazardous materials

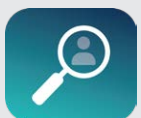
professionals, contaminated land consultants, and senior environmental scientists with site remediation and validation expertise are highly sought after. There is also a limited pool of senior ecologists and accredited specialists.

Skilled trades and technicians continue to face supply pressure, with ongoing vacancy volumes and long-term workforce shortages impacting productivity across multiple industries.

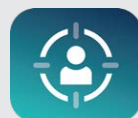
### Expectations and Mismatches

Across the market, employers often underestimate the pace required to secure high-demand technical talent. Delayed decision-making, extended recruitment processes and highly prescriptive role requirements frequently result in candidates accepting competing offers.

## KEY TAKEAWAYS



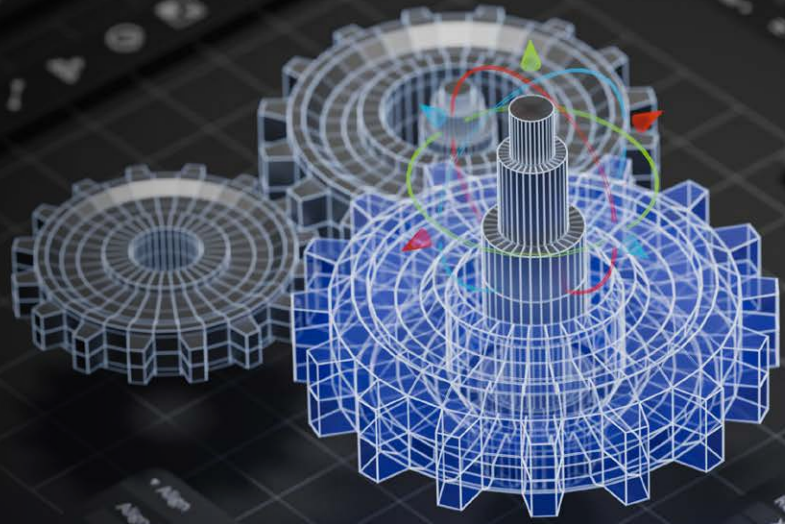
Talent shortages persist across engineering, technical and operational roles nationally



Investment in skills development and transferable capability will be essential to future workforce sustainability

## Industry Insights Engineering & Technical

# Australia



A continued reliance on highly specific project or industry experience, in addition to formal qualifications, can significantly narrow the available talent pool. Greater openness to transferable skills and adjacent industry experience would improve hiring outcomes.

There is also a growing disconnect between evolving digital expectations and current workforce capability. As organisations place greater emphasis on digital engineering, automation and data-driven decision-making, expectations can exceed the current level of workforce readiness without corresponding investment in training and development. Misalignment is also evident in salary benchmarking, flexibility expectations and hiring processes, with some organisations remaining below market conditions or maintaining rigid working models that limit candidate attraction.

### Culture and Flexibility are Decisive Retention Factors

Retention across the Engineering and Technical workforce is increasingly influenced by:

- Career progression opportunities
- Organisational culture
- Flexibility and hybrid working arrangements
- Leadership credibility and communication

Professionals are prioritising clear development pathways, exposure to varied and meaningful projects, and access to modern technologies. Where these elements are lacking, attrition risk increases.

Work-life balance continues to play a critical role, with many candidates valuing flexibility as highly as compensation. Demanding workloads, travel requirements and project pressures can contribute to burnout if not managed effectively.

### Looking Ahead

To remain competitive, organisations must focus on:

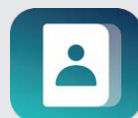
- Skills-based hiring and broader talent attraction strategies
- Investment in training, internal mobility and capability uplift
- Streamlined and efficient recruitment processes
- Competitive and market-aligned remuneration
- Flexible and modern working environments

Organisations that prioritise transferable skills, invest in workforce development and build strong employer value propositions will be best positioned to address ongoing talent shortages and build sustainable engineering capability.

## KEY TAKEAWAYS



Flexibility, culture and career pathways are as critical as salary in both attraction and retention



Slow hiring processes and narrow candidate expectations continue to limit access to talent

## Industry Insights

### Healthcare, Life Sciences & Pharmaceuticals

# Australia

Australia's Healthcare, Life Sciences and Pharmaceuticals (HLS&P) sector continues to evolve rapidly, shaped by demographic demand, technological advancement and increasing focus on digital healthcare delivery.

Across the market, organisations are navigating a complex hiring landscape driven by skill shortages, evolving role requirements and heightened competition for specialist talent. As the sector grows - particularly in advanced therapeutics, biotechnology and digital health specialised capability - speed of hiring and strong employer positioning are critical to securing and retaining high-value professionals.

#### Digital Health Expansion Meets Structural Talent Scarcity

Healthcare remains one of the most consistent areas of employment growth in Australia, supported by ageing demographics and increasing demand for services. At the same time, the expansion of digital health platforms and AI-enabled clinical systems is reshaping workforce requirements.

Demand is rising for:

- Clinical data analysts
- Health informatics professionals
- Digitally fluent healthcare practitioners

Within life sciences, shortages are most evident in:

- Regulatory affairs
- Clinical data management
- Biotech research

As the industry expands, the supply of suitably skilled talent has not kept pace. Regulatory specialists with experience navigating complex compliance frameworks remain in limited supply, while professionals who can combine scientific expertise with data and digital capability are particularly difficult to secure.

Across the Australian market, the core challenge is structural candidate pools for specialised roles remain relatively small - and competition for experienced professionals is intense. This often results in:

- Extended hiring timelines
- Increased salary expectations
- Broader geographic or international talent searches

#### AI Ambition, Evolving Skill Demands and Market Misalignment

A growing challenge across the sector is the misalignment between evolving employer expectations and available talent.

Employers are increasingly seeking:

- AI fluency
- Cross-functional digital capability
- Advanced analytics skills
- Traditional clinical or scientific expertise

However, education and training pipelines have not fully adapted to deliver workforce-ready candidates with this hybrid skillset. As a result, many roles no longer align to traditional job descriptions - creating ambiguity between essential and desirable skills.

There is also a gap between strategic ambition and operational readiness. Many organisations anticipate productivity gains from AI and digital transformation, yet workforce capability, governance frameworks and implementation processes often lag behind.

*Industry Insights***Healthcare, Life Sciences  
& Pharmaceuticals**

# Australia

Additional market challenges include:

- Outdated salary benchmarking against current market rates
- Rigid workplace structures in an environment where flexibility is expected
- Overly narrow candidate criteria
- Lengthy and complex recruitment processes

Together, these factors constrain hiring success in an already competitive market.

**Burnout, Career Visibility and Flexibility Shaping Retention**

Retention pressures across Australia's HLS&P sector are influenced by workload intensity, ongoing skill shortages and increased workforce mobility.

As demand for healthcare services continues to grow, professionals are experiencing:

- Rising workloads
- Increased pressure
- Higher risk of burnout

Employees are placing greater importance on:

- Clear and visible career progression

- Structured learning and development pathways
- Exposure to modern, digitally enabled working environments

Where progression pathways are unclear, stability is often perceived as stagnation - leading to higher attrition risk.

Beyond remuneration, retention is increasingly driven by:

- Flexibility and hybrid work arrangements
- Work-life balance
- Strong leadership and clear organisational direction

Employees expect authentic engagement, with meaningful action taken in response to feedback. Where this is lacking, trust and engagement can quickly deteriorate.

Across the sector, career clarity, flexibility and leadership credibility are now as critical to retention as salary.

**Looking Ahead**

Looking forward, organisations that adapt their workforce strategies will be best positioned to compete for talent.

Key priorities include:

- Strengthening skills-based hiring approaches
- Investing in AI-readiness and digital capability uplift
- Embedding structured development and career pathways
- Building internal mobility to reduce reliance on external hiring

Flexibility should be treated as a strategic lever for both attraction and retention, rather than a concession.

Additionally, organisations that focus on the below will see improved hiring outcomes:

- Strengthening employer branding
- Clearly articulating culture, progression and flexibility
- Simplifying recruitment and employee experience processes
- Benchmarking competitively against the market.

Ultimately, organisations that align digital ambition with workforce capability and deliver a credible, modern employee value proposition will strengthen long-term resilience across Australia's evolving HLS&P landscape.

## Industry Insights

# Information Technology & Telecommunications

# Australia

Australia's Information Technology and Telecommunications market continues to see strong demand, driven by digital transformation, AI adoption and ongoing investment in cloud and cybersecurity.

The core challenge is not just talent availability but securing professionals with depth across multiple disciplines. Skill shortages, combined with misaligned salary expectations and hiring processes, are extending time-to-hire and increasing candidate drop-off.

Organisations that align compensation, speed and flexibility with market realities will be best positioned to attract critical talent.

### Talent Gaps and Future Needs

Across Australia, capability gaps are expected to persist through

2026, particularly in cybersecurity, cloud/DevOps, AI and enterprise platforms.

The hardest roles to fill include:

- Cybersecurity specialists (security engineers, SOC analysts, cloud security architects, GRC)
- Cloud and DevOps engineers with infrastructure, coding and automation skills
- Data engineers, AI/ML specialists and data architects
- SAP (S/4HANA), Salesforce and ServiceNow experts

Demand continues to exceed supply, driven by rapid transformation, regulatory pressure and AI growth.

The key challenge is hybrid capability, with employers seeking professionals who combine technical expertise with commercial and cross-functional

skills, a talent pool that remains limited locally.

### Demand for AI Fluency and Flexibility

Employer expectations are evolving rapidly, particularly around AI capability, skills breadth and flexibility.

Many roles now require overlapping expertise across cloud, security and DevOps, creating “unicorn” expectations that are difficult to fill and command premium salaries.

Common misalignments include:

- Underestimating salary benchmarks, particularly in cyber and cloud
- Expecting short hiring timelines in a competitive market
- Multi-stage processes that drive candidate drop-off
- Limited flexibility reducing access to talent

## KEY TAKEAWAYS



Australia's IT market is defined by shortages in cybersecurity, cloud and AI roles requiring hybrid capability.



Aligning salary, hiring speed and flexibility with market expectations is critical to securing talent.

## Industry Insights

# Information Technology & Telecommunications

# Australia

Flexible and hybrid work are now baseline expectations, with remote roles expanding access to candidates.

Organisations that fail to adapt risk prolonged vacancies and increased hiring costs.

### Flexibility and Career Clarity Driving Retention

Retention challenges are shaped by evolving employee expectations, particularly in AI, cybersecurity and cloud roles.

Key drivers of attrition include:

- Career stagnation and limited progression opportunities
- Lack of exposure to modern technologies
- Leadership quality and unclear direction
- Burnout, especially in cybersecurity and DevOps

Professionals increasingly prioritise career development, learning opportunities and modern tech environments.

Employers often misread these drivers. While salary matters, it is rarely the primary reason for leaving. Career progression, leadership quality and meaningful work are typically more influential.

Flexibility is also a key retention lever, with hybrid and remote work now expected.

### Looking Ahead

Over the next two years, the market will shift towards AI-augmented roles and skills-based workforce strategies.

Demand will increasingly focus on:

- Problem-solving and system design
- AI integration into business processes
- Continuous learning and adaptability

Leading organisations will:

- Simplify hiring processes and reduce time-to-hire
- Focus on skills-based hiring
- Invest in upskilling and AI capability
- Embed flexibility within their employee value proposition

These organisations will be better positioned to attract and retain talent in a competitive market.

## KEY TAKEAWAYS



Retention is driven by career progression, leadership quality and flexibility - not salary alone.



Organisations that invest in AI capability, learning and streamlined hiring will strengthen workforce stability.

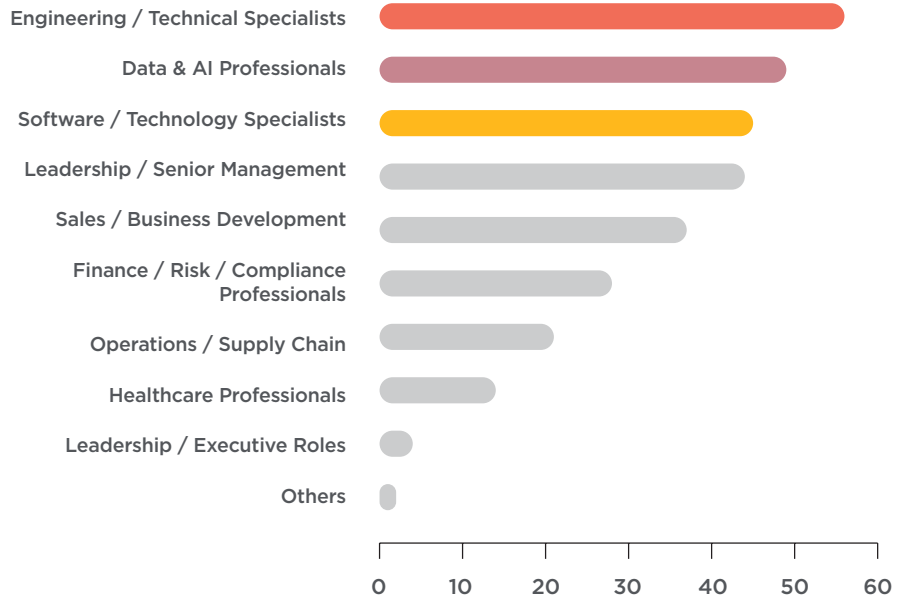
# Hiring and Retention Insights

# Hiring and Retention Insights

## Most Difficult Roles to Hire

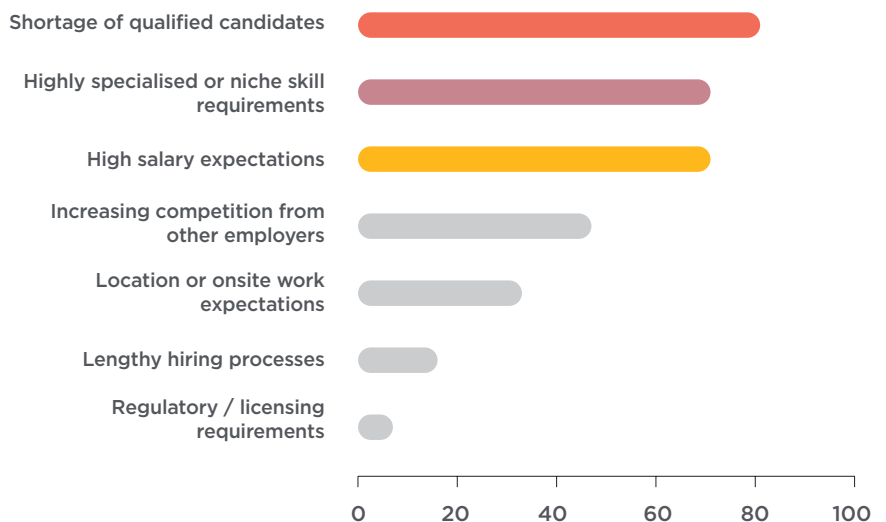
Hiring challenges across APAC are most pronounced in technical and specialist domains. Engineering and technical specialists (56%), Data & AI professionals (49%), and software/technology roles (45%) are consistently identified as the hardest to fill.

Leadership and senior management roles (44%) also rank highly, pointing to a growing shortage of experienced, decision-making talent. The data reflects a structural imbalance in the market, where demand for advanced technical expertise and leadership capability continues to outpace supply.



## Key Hiring Challenges

The primary barrier to hiring is the shortage of qualified candidates, cited by 81% of employers. This is closely followed by:

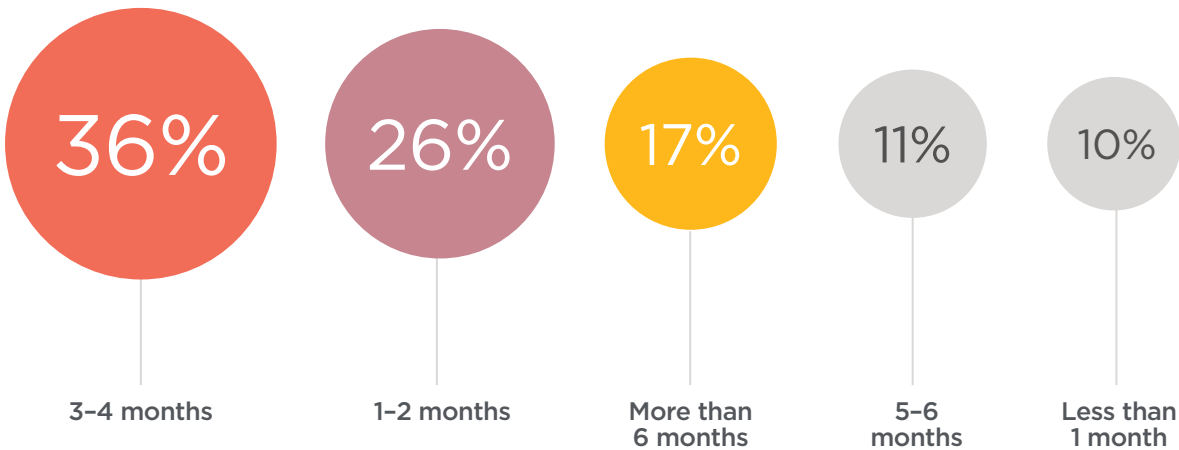


Additional challenges include increasing competition for talent (47%) and constraints related to location or onsite expectations (33%). Hiring complexity is being driven less by applicant volume and more by a capability mismatch, alongside rising market expectations for compensation.

# Hiring and Retention Insights

## Time to Fill Critical Roles

Overall, many employers find that they require at least three months to fill a vacant role. Organisations are prioritising precision over speed, reflecting both talent scarcity and higher hiring standards for critical roles.

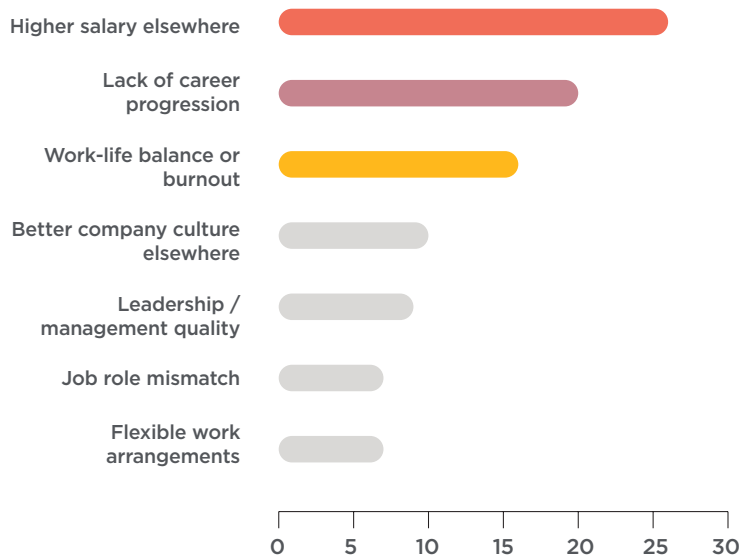


## Top Reasons Employees Leave

Employee attrition is primarily driven by higher salary opportunities elsewhere (approximately 26% of respondents), making it the most significant factor by a clear margin. This is followed by a lack of career progression, work-life balance, or burnout.

Secondary drivers include company culture, leadership quality and job-role alignment, indicating that both tangible and experiential factors influence employee turnover.

Organisations that focus only on pay will remain vulnerable to attrition. Sustainable retention will require a more balanced approach combining competitive rewards, clear career pathways and a strong employee experience.



# Hiring and Retention Insights

## Talent Mobility and Retention Pressures

Though detailed breakdowns are scarce, the data suggest that retention issues are closely tied to market competitiveness and salary dynamics. Specifically, 24% of employers struggle to find candidates with the right skills, 16% face challenges due to candidates' salary expectations, and 10% report intense competition for talent.

As a result, employees, especially in high-demand roles, are experiencing greater mobility and choices in their careers. Retention is becoming as critical as hiring, with organisations needing to compete continuously to retain key talent. To do so, companies need to offer attractive packages that include flexible work options, competitive salaries and comprehensive benefits. Creating a positive work environment, and supporting employees' needs and well-being are also essential for encouraging loyalty and reducing turnover.



# Hiring and Retention Insights

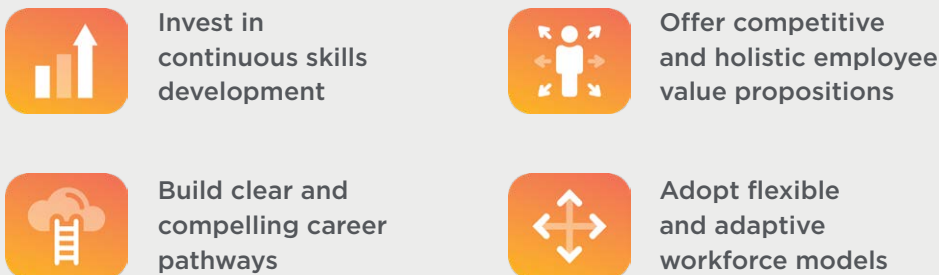
## Strategies to Address Talent Gaps

Organisations are shifting toward more sustainable talent strategies, with a clear emphasis on internal capability development.



**The APAC talent landscape is undergoing a fundamental shift.** The challenge is no longer simply accessing talent but ensuring alignment between evolving business needs and workforce capabilities. This is where a strong talent solution partner becomes essential, as we can provide the insights and resources necessary to navigate this dynamic landscape effectively.

Organisations that will succeed in this environment are those that:



Ultimately, competitive advantage will be defined not just by the ability to hire talent, but by the ability to develop, engage and retain it. A reliable talent solution partner plays a critical role in this process, helping businesses adapt and thrive in a rapidly changing market.

*\*This analysis captures directional insights from a targeted respondent sample (n=90).*



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