DRC Search

Market Insights Update: South West

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Who We Are

About DRC Search
DRC Search is the executive search division of The Digital Recruitment Company, specialising in senior management and C-suite appointments. We partner with high-growth, investor-backed and transformation-focused businesses, helping them attract and retain leadership talent that drives growth.

Our Specialisms:

- All C-Suite & Leadership Roles: NED, Board Advisory, Chief Data, Chief Marketing, Chief Digital, Chief Information, Chief Technology, Chief Revenue, etc
- Non-Executive & Advisory Appointments: Access to our **exclusive NED Library** for board, growth, M&A and scale-up expertise.

Geographic Coverage: UK, East Coast US, and major European tech hubs.

About The Digital Recruitment Company
The Digital Recruitment Company was founded in London in 2010 and has become a leading provider of global recruitment solutions across the Technology, Marketing, Product, Data and Creative sectors.

The team focuses on mid-level to senior hires, providing permanent, freelance and fixed-term recruitment, as well as payroll management and market insight consulting.

What We Do

We work across the Technology, Marketing, Product & Data Sector in both the UK & Internationally. We aim to create long-lasting partnerships with our clients.

We work across the following specialisms:

Client Services, Sales, AI, Creative Software, Developers, Engineers, Data & Analytics, Executive Appointments, Innovation & Service Design, Insight & Research, CRM, Strategy, Tech & UX. Marketing, Media Planning & Buying, Performance Media, Project Management / Product Management.

We supply permanent hires, executive search, freelance & fixed term contracts and payroll management services.

Our Service

With our clients we work alongside them not to only recruit but to consult on the current market, how best to structure, hire and retain new Marketing, Creative, Technology, Sales, Digital & Data & Insights divisions.

Our service is split into two distinct services:

- **Initial consulting** - a scoping of your requirements and a follow up document putting forward our recommendations on market insights, department structure, salaries, packages etc - this is completely free of charge and does not come with any obligation to use us for the hiring.

- **Recruitment & Retention** – delivery of a recruitment strategy and hiring plan to identify, attract and retain the ideal talent for your organisational culture and goals. Our fee structure is based upon the scale of any project.

Our Purpose is to strengthen the target market so that the business will increase

Introduction

Hiring across the South West is starting to level out in 2026, with businesses cautiously picking things back up after a slower, more hesitant end to last year. Roles are coming back into the market, but growth is still controlled, as companies remain focused on managing costs and navigating ongoing uncertainty. Most hiring is centred around key positions that directly support delivery and revenue.

At the same time, demand is becoming far more focused. There’s a clear shift towards technical and commercially driven roles, while more cyclical sectors like construction and real estate are still under pressure. It reflects a wider reset in how the regional economy is evolving.

We’re also seeing hiring driven by a smaller group of employers, rather than broad-based growth. That’s making the market more selective and competitive, with opportunities increasingly tied to specific investment areas rather than widespread expansion.

Hiring conditions in the South West have improved at the start of 2026, though the recovery remains controlled rather than expansive. Employers appear to be releasing recruitment plans held back at the end of last year, but the pace of hiring suggests a continued focus on stability rather than rapid growth. The early part of the year is typically shaped by budget resets, and this cycle appears no different, with organisations prioritising essential roles and delaying broader expansion until conditions become clearer.

Overview

Professional vacancies reached 6,782 in Q1 2026, a 7.9% increase on Q4 2025. This places activity just below the peak seen in Q1 2025, when vacancies totalled 6,841. The return to this level indicates that demand has stabilised, with organisations resuming hiring where operational needs require it, rather than expanding headcount more widely across teams. This pattern suggests a market that is functioning, but not accelerating.

Activity strengthened towards the end of the quarter. March recorded 2,556 vacancies, up 19.9% on February, pointing to a concentration of hiring decisions once budgets and priorities were confirmed. Earlier months appear to have been more cautious, suggesting that employers are still taking a measured approach before committing to recruitment, particularly in a cost-sensitive environment.

The outlook for the year remains positive but restrained. Vacancies are forecast to rise by 4% to around 27,128 in 2026. This compares with stronger growth elsewhere: Greater London is expected to increase by 13.2%, raising its share to 38.5%, while Northern Ireland is projected to grow by 18.6%. Against this backdrop, the South West stands out for its relative stability, but also for its limited pace of expansion compared to fastergrowing regions.

This divergence highlights a regional market that is less exposed to volatility, but also less responsive to cyclical upswings. Employers appear to be maintaining disciplined hiring strategies, prioritising efficiency and resilience over expansion, which may continue to limit near-term upside potential.

Skills In Demand

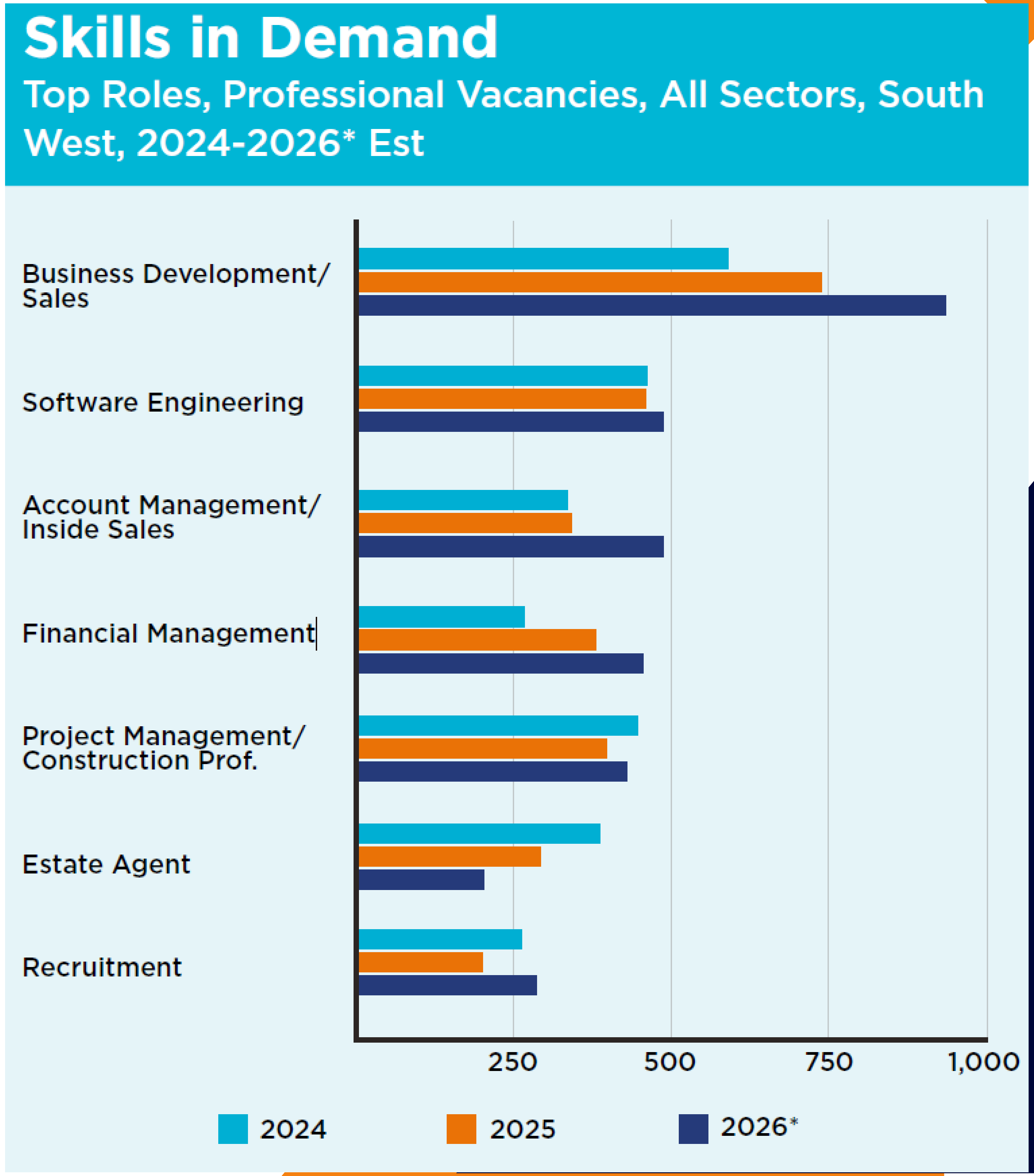
Hiring demand in the South West is becoming more concentrated in roles that directly support revenue generation and operational delivery. Growth is being driven by technical and commercial functions, while more cyclical areas are losing ground. This reflects a wider shift towards efficiency, where organisations prioritise hires that can deliver measurable impact in the short term rather than broadening their teams.

IT roles are expected to reach 5,580 vacancies in 2026, a 15.1% increase, with their share rising to 20.6%. This reflects continued investment in digital systems and infrastructure, as organisations look to streamline operations and strengthen long-term capability. Engineering roles are also expanding, with vacancies forecast to rise by 9.0% to 4,200, reinforcing demand for technical expertise across the region and supporting ongoing infrastructure and industrial activity.

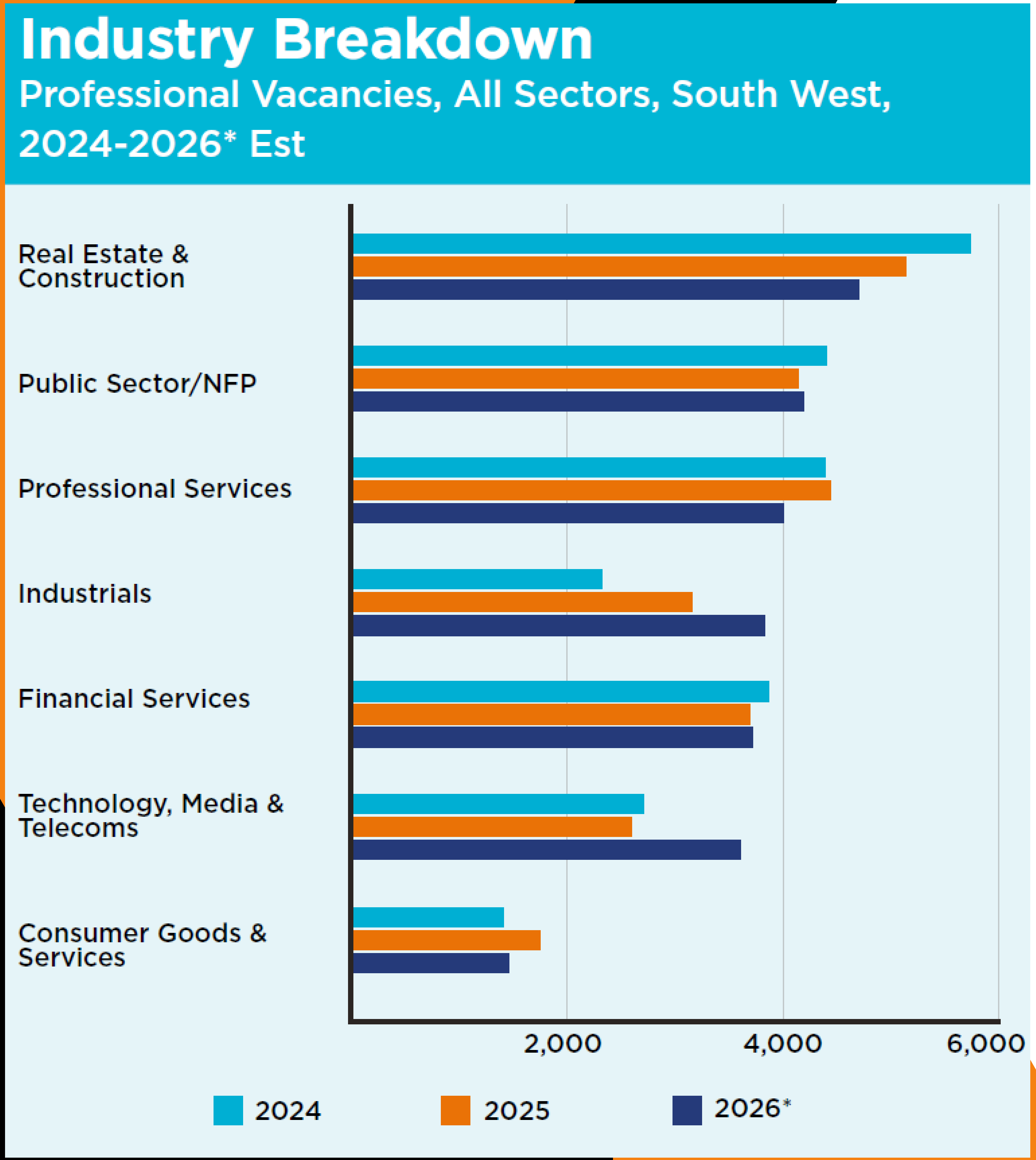
In contrast, construction-related roles are weakening. Construction vacancies are expected to fall by 1.7%, with the share declining to 9%, while real estate roles are forecast to drop by 13.7%, reducing their share to 7.2%. These declines point to ongoing pressure in project-led sectors, where financing constraints and slower pipelines continue to weigh on hiring activity and limit new developments.

Commercial roles are seeing the strongest growth. Sales vacancies are projected to increase by 18.2%, with business development roles rising by 26.8% and accounting for 48% of the profession. Account management roles are set to grow by 41.4%, reflecting a shift towards retaining and expanding existing client relationships rather than relying solely on new business acquisition, particularly in a more competitive environment.

Meanwhile, marketing and PR roles are expected to decline by 17.3%, suggesting that discretionary spending remains constrained. Overall, hiring is becoming more targeted, with employers focusing on functions that directly support revenue, efficiency, and operational resilience.

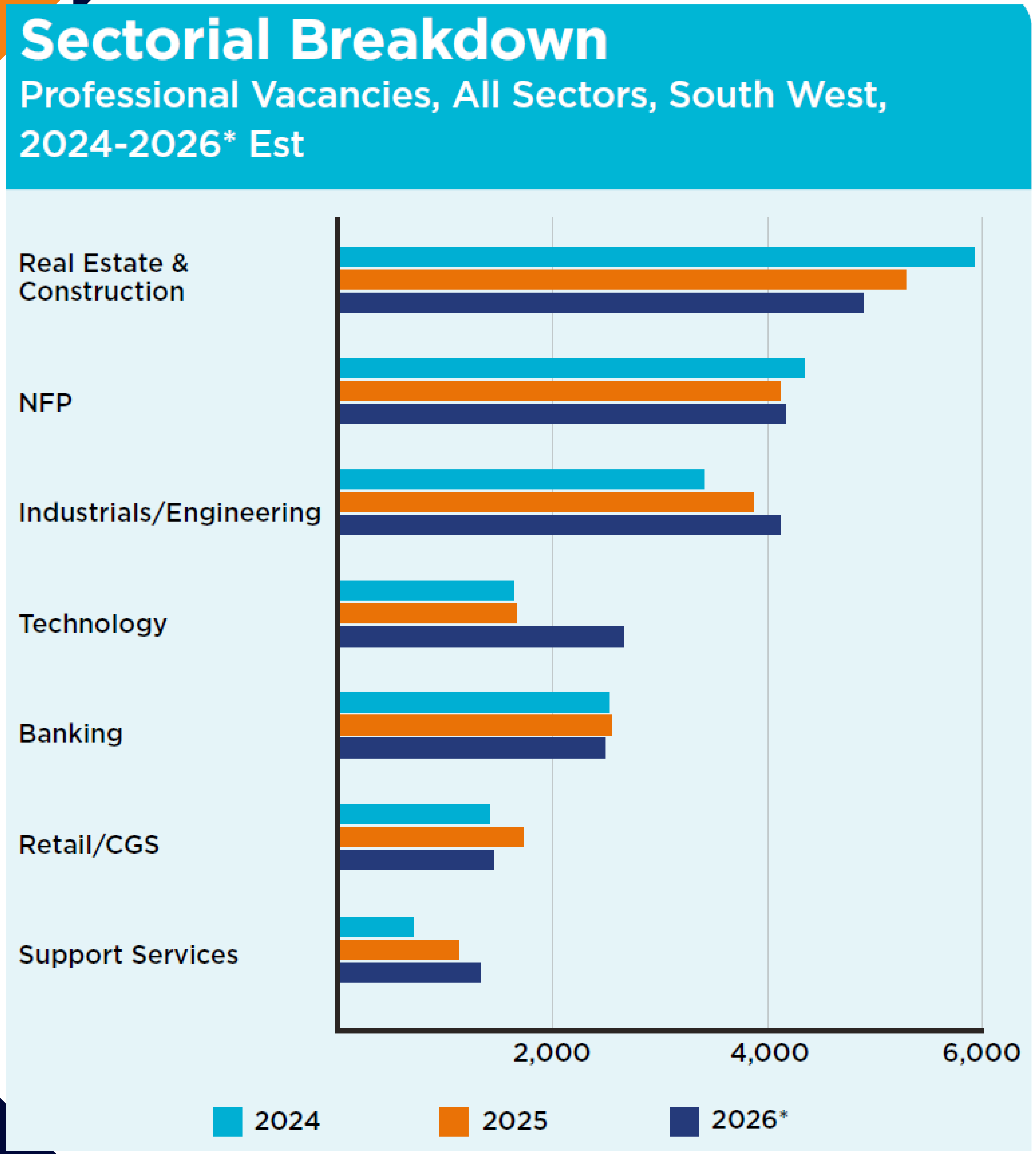


Industry Breakdown



The South West labour market is becoming increasingly uneven at a sector level, with growth concentrated in industrial and technology-driven industries while more traditional sectors continue to lose ground. This divergence reflects a broader structural shift, in which demand is moving towards areas aligned with infrastructure, digital capabilities, and operational resilience.

Industrials are expected to grow by 21.6%, reaching 3,828 vacancies and increasing their share from 12.1% to 14.1%. A similar trend is visible in Industrials and Engineering, where vacancies are forecast to reach 4,124, marking a 6.5% increase. This points to sustained demand linked to infrastructure delivery, manufacturing, and supply chain activity, all of which remain relatively resilient under current economic conditions and continue to support hiring across the region.



Technology-led sectors are expanding at a faster pace. Technology, Media and Telecoms roles are expected to rise by 39.6%, while Technology roles alone are forecast to grow by 60.0%, with the share increasing from 6.4% to 9.9%. This reflects continued investment in digital systems and transformation programmes, as organisations prioritise efficiency, automation, and long-term capability across core functions.

By contrast, several major sectors are contracting. Real Estate and Construction vacancies are expected to decline by 8.5%, reducing their share to 17.4%, while Professional Services roles are forecast to fall by 10.1%, with the share dropping to 14.7%. Retail is also under pressure, with vacancies declining by 16.3%, reflecting weaker consumer demand and cost constraints.

Financial Services and Banking remain broadly stable, holding shares of 13.7% and 9.2% respectively. The data points to a gradual but clear rebalancing of the regional economy, with growth shifting away from traditional sectors towards industrial and technology-led activity.

Top 20 Companies

Hiring in the South West is becoming more concentrated, with a smaller group of employers driving growth while others stabilise or reduce hiring. As a result, opportunities are increasingly tied to individual company strategy rather than broad sector trends, with hiring patterns varying sharply even within the same industry.

In construction and infrastructure, AECOM is forecast to reach 708 vacancies in 2026, up 15.1%, while Kier Group is set to grow more significantly by 65.9% to 292 roles. This reflects strong demand linked to specific projects or long-term contracts, despite wider sector softness. However, this is not consistent across the board, with Turner & Townsend expected to reduce hiring by 37.9% to 356 vacancies, highlighting the impact of project cycles and pipeline variability.

Beyond the private sector, hiring trends are also diverging. The National Trust is projected to increase vacancies by 110.0% to 252 roles, suggesting expansion in activity, while BT is expected to decline by 15.2% to 184 roles, pointing to restructuring or a more cautious approach.

Overall, hiring is being driven by a limited number of organisations with clear investment priorities, creating a more competitive and uneven market where demand is shaped by company-level decisions rather than widespread regional growth.

Top 20 Companies

Professional Vacancies, All Sectors, South West, 2024-2026 (Jan/March)

Company	Sector	2024	2025	2026 (Jan-March)
Aecom	Real Estate & Construction	615	708	177
JPMorgan Chase & Co	Banking	637	676	169
Babcock	"Support Services	607	472	118
Turner & Townsend	Industrials / Engineering	573	356	89
Kier Group	Real Estate & Construction	176	292	73
National Trust	NFP	120	252	63
RNLI	NFP	201	232	58
AtkinsRealis	Real Estate & Construction	246	220	55
Lloyds Banking Group	Banking	220	212	53
Hargreaves Lansdown	Banking	237	192	48
BT	Telecommunications	217	184	46
Benefact Group	Insurance	168	172	43
WSP Global	Industrials / Engineering	148	168	42
Bristol City Council	NFP	135	160	40
Meridian Advice	Insurance	161	160	40
Met Office	NFP	139	156	39
University of Bath	NFP	122	148	37
PKF Francis Clark	Accounting / Consulting	248	128	32
Balfour Beatty	Real Estate & Construction	245	124	31
Environment Agency	NFP	123	120	30

DRC Search

Thank You

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We hope you've enjoyed our Market Insight Survey. If you would like to discuss the survey or would like to work with us on your next hire or your next career move, then please get in touch.

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