

ICT LABOUR MARKET IN PORTUGAL

	Portugal	Lithuania
GDP per capita (2023)	27 331.2 USD	27 786 USD
Average gross salary (Q1, 2024)	1 443 EUR/month	2 161 EUR/month
Unemployment rate (Q4, 2023)	6,6%	7,4%
Youth unemployment rate (July 2024)	20,9%	19%
Cost of living (2024)	-5,3% lower compared to Lithuania	
Average gross salary for ICT industry	2 085 EUR/month (June 2024)	3 902.10 EUR/month (Q2 2024)

Net salary
comparison for
the average ICT
specialist

1 523 EUR/month in Portugal vs 2 360 EUR/month in Lithuania
(47 % higher compared to Portugal)

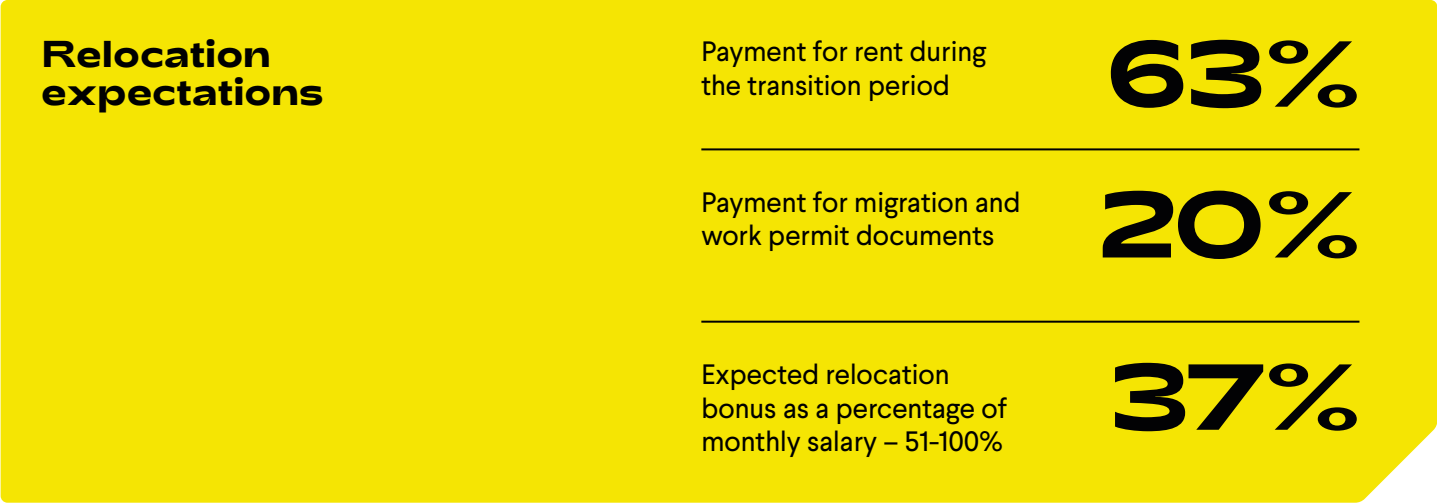
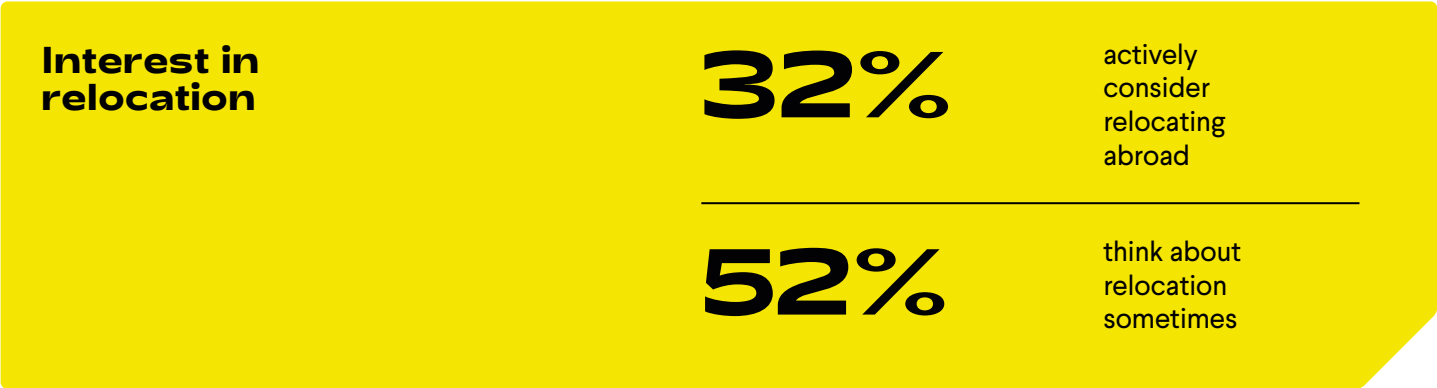
Cost of living: 1,6% lower in Vilnius than in Lisbon (without rent)

Cost of living: 18,5% lower in Vilnius than in Lisbon (including rent)

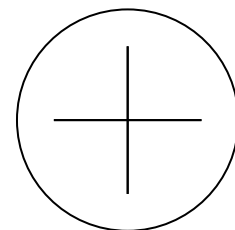
MAIN FACTS ABOUT THE ICT SECTOR OF PORTUGAL

Key ICT sub-sectors	ICT Services	Software Development	IoT
	Data Centres	Gaming	Cybersecurity
Number of ICT specialists	161 987	2022	
	+11,8%	compared to 2021	
Employment of ICT specialists by industry (TOP3)	IT services and consulting	46%	
	Software development	24%	
	Telecommunications	13%	
Most common skills among ICT specialists (TOP3)	SQL	32%	
	JavaScript	30%	
	Java	28%	
ICT graduates	6 993	2022	
	-6,4%	compared to 2021	
Field of study of ICT specialists (TOP3)	Computer Science	12,4%	
	Computer Software Technology / Technician	11,6%	
	Information Technology	10,9%	
Leave notice by employees	7-60	days	

KEY INSIGHTS FROM SURVEY



STRENGTHS AND OPPORTUNITIES



Strengths

Lithuania can offer lower more budget friendly accommodation compared to Portugal.

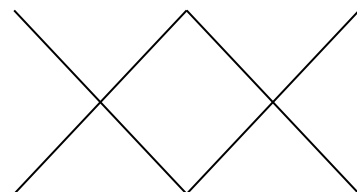
Lithuania can offer higher net average salaries for senior-level ICT specialists from Portugal.

Lower tax rates for high-earning ICT professionals.

Lithuania can ensure public safety which is important country-related factor considered in relocation.

Vilnius features a higher Quality of Life Index (172.73) compared to Lisbon (154.95), offering better purchasing power, high safety and healthcare standards, lower pollution, and favourable living conditions.

To those more familiar with Lithuania, it is perceived as an emerging player in the innovation and technology sectors, offering promising career opportunities.



Opportunities

84%

of ICT specialists from Portugal are open to relocation, with 32% actively considering it and 52% occasionally contemplating it.

49%

of ICT professionals in Portugal consider Lithuania's professional environment as attractive or very attractive presenting an opportunity to further enhance the country's appeal.

44%

of surveyed foreign ICT specialists residing in Portugal expressed that they are actively considering moving abroad.

Opportunities to attract experienced ICT specialists from Portugal, particularly mid-level professionals and those with 4-5 years of experience, who exhibit low job satisfaction and a strong inclination to relocate.

The combination of lower salaries compared to other EU countries and high progressive tax rates in Portugal could make Lithuania an attractive relocation option for ICT professionals seeking better economic conditions.

The number of ICT specialists in Portugal increased by 11,8% in 2022, reaching 161 987 professionals, which presents an opportunity for Lithuania to attract skilled ICT professionals who may be looking for new career opportunities abroad.

WEAKNESSES AND CHALLENGES

Weaknesses

Limited awareness of Lithuania, particularly regarding professional opportunities

Distance from Lithuania and Portugal and/or home country in case of foreign nationals residing in Portugal.

Colder climate in Lithuania.

Lower average net salary for junior-level ICT specialists in Lithuania compared to Portugal.

Language barrier (both due to perceived challenges in learning Lithuanian and the belief that Lithuanian people have limited proficiency in English)

Concerns about Lithuania's proximity to Russia.

Lithuanian society is perceived as homogenous and not open to cultural diversity.

Lithuania is perceived as facing economic challenges, including income inequality and lower salaries.

Lithuania does not offer the same feasible conditions for acquiring citizenship as Portugal, which could be a key attraction point for ICT specialists considering relocation.

Lower salary for ICT professionals in Lithuania compared to the most interested potential destination countries (e.g., Switzerland, Luxembourg, Germany, etc.).

Challenges

The attractiveness of Lithuania as a potential country for work relocation, as rated by respondents, is only slightly above average at 5.96 out of 10, indicating that ICT specialists from Portugal find Lithuania to be only somewhat of an attractive destination.

Opportunities for remote work with international companies in home country while earning comparatively high salaries.

Other countries might be more attractive destinations for ICT specialists from Portugal due to more competitive offers with higher salaries, better-known international companies, and remote work opportunities.

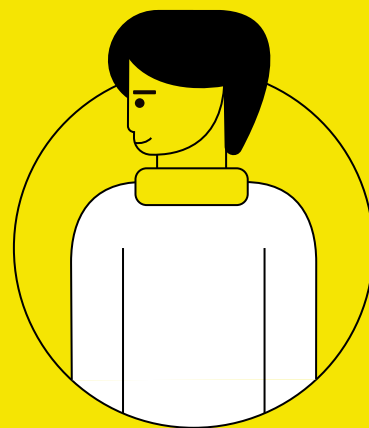
The number of ICT graduates decreased by 6,4% compared to 2021, which may impact the long-term availability of skilled professionals in Portugal.

To attract new talent, it is essential for Lithuanian employers to present a proposition that highlights the attractiveness of Lithuania. This proposition should address potential concerns about Lithuania's climate, homogenous society, and geopolitical situation while emphasising economic benefits such as lower taxes and more budget friendly accommodation, as well as better living conditions, public safety, and prosperous professional environment, making it a preferred destination for ICT specialists from Portugal.

[Download Lithuania's unique selling proposition for global talent](#)



POTENTIAL ICT SPECIALIST IN PORTUGAL



Mid-level

Has low job satisfaction

Has 4-5 years of experience

Looking for better living conditions and public safety

Looking for new career opportunities, professional growth, and better work-life balance

Specialised in

Software development

Telecommunications

IT services & consulting

Proficient in

JavaScript

SQL

Java

Most likely to apply via LinkedIn

PORTUGUESE MARKET-SPECIFIC RECOMMENDATIONS

Tailored communication for employment outreach

When presenting job opportunities to ICT professionals from Portugal, it is essential to emphasize the unique benefits that both Lithuania and the company can offer. It is recommended to highlight:

- the professional advantages, such as competitive salaries, career opportunities, and favourable working conditions that foster long-term development.
- the enhanced quality of life in Lithuania, including greater safety, lower pollution, stable political, social and economic environment,
- an improved work-life balance.

Additionally, it is recommended to point out economic benefits, including lower rent costs in Lithuania and lower taxes, which are particularly important for high-earning ICT professionals.

Relocation expectations

Payment for rent during the transition period and support in finding accommodation are crucial factors that can make relocation more appealing to potential candidates. Additionally, guidance on obtaining a work permit and assistance with arranging a work visa are highly valued types of support. It is strongly recommended to emphasize the potential to fulfil these expectations, either within the job advertisement itself or during initial interviews.

Expected relocation bonus

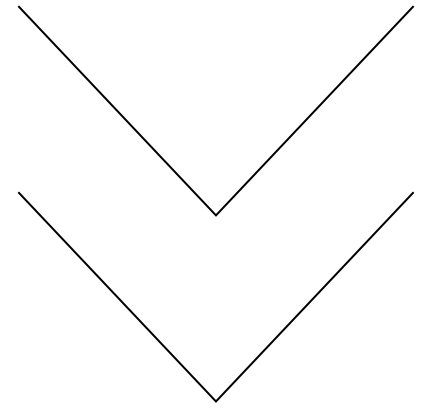
Better salary related aspects are the most important labour market and job related factors for ICT professionals from Portugal. A significant portion of survey participants expect relocation bonuses, with 37% anticipating 51-100% of their monthly salary, 20% expecting 101-150%, and 14% seeking 151-200%. Therefore, to attract highly skilled ICT professionals, it is recommended to offer competitive relocation bonuses.

Initiatives to create sense of belonging

To address concerns about potential loneliness and isolation, it is important for companies to foster initiatives that create a sense of belonging. This can include guided tours of the city, after-work events, and activities such as sports, museum visits, and quizzes. Incorporating programmes that support integration for expats and engage with the Portuguese (or other of country of origin) diaspora can also enhance the sense of community.

Given perceptions of Lithuanian society as homogenous and less open to cultural diversity, highlighting initiatives like "[Vilnius is my city](#)" in Vilnius or "[Garden of Cultures](#)" in Kaunas can help encounter these views.

These efforts can help dispel the perception that Lithuanians are less sociable than people in Portugal, and foster inclusion into society.



Work-life balance

It is recommended that companies seeking to attract talent from Portugal emphasize their support for work-life balance by offering flexible working conditions, such as remote work options and generous vacation policies. Additionally, providing one paid trip home per month can address the high priority Portuguese professionals place on maintaining strong familial and social ties, helping to foster deeper connections with family and friends and facilitating a smoother relocation process.

Flexible work arrangements

To enhance engagement and strengthen Lithuania's appeal in talent acquisition, it is advisable to emphasize flexible work arrangements that allow employees to choose their time and place of work. This approach addresses the observed reluctance of ICT specialists from Portugal to fully re-embrace on-site work models, given their priority on maintaining close family relations.

Recognizing this trend, it is recommended to highlight the advantages of phased integration—initiating collaboration through remote work and gradually transitioning to on-site or hybrid models. The introduction of monthly visits to Lithuania during the trial period, along with the opportunity to refine the integration model through ongoing discussions, can generate above-average attention from potential candidates. It is recommended to introduce this flexible integration strategy early in the interview process.

Job search channels

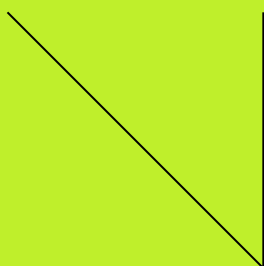
The most popular methods for IT specialists from Portugal to discover new job opportunities include:

- online job board sites (mostly international job board sites such as [Indeed](#) or [Glassdoor](#), as well as local ones, such as [itjobs.pt](#) and [Teamlyzer](#))
- professional network
- job proposals on company website
- LinkedIn

Therefore, it is recommended that employers target prospective employees from Portugal by primarily advertising on international and industry-specific local job portals and LinkedIn. Given the importance of personal and professional networks in Portugal, companies should integrate these connections into their recruitment strategies by encouraging referrals and leveraging existing networks.

GENERAL RECOMMENDATIONS

Relocation



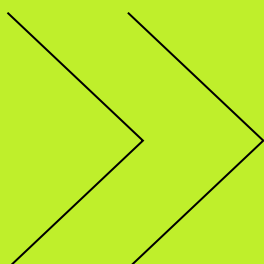
Support for family members

We recommend offering a comprehensive relocation support for both the future employees and their family members. This support might include assistance in settling in Lithuania, such as finding housing and schools/kindergartens for children. It should also include measures to support the integration of ICT professionals' partners/spouses, such as employment consultations, and the initiation of social integration activities to help them establish and develop their social networks in Lithuania.

Aligning expectations

To effectively motivate prospective candidates to relocate to Lithuania, it is strongly recommended to clearly outline salary opportunities, specific job goals, and potential tasks during the initial interviews. Additionally, emphasizing available social benefits and offering flexible working hours can significantly enhance the attractiveness of the offer. Finally, providing comprehensive support throughout the relocation process, both for specialists and their family members, is highly encouraged.

Integration



Understanding local context

To foster a welcoming environment and support the inclusion of international employees into a new society, it is essential for companies to provide clear guidance in navigating the local tax, healthcare, and social security systems. These systems can be complex for newcomers, and offering dedicated resources, such as informative sessions, workshops, or one-on-one consultations, will greatly ease the transition. Additionally, providing detailed guides in multiple languages and assigning a relocation specialist or mentor can offer continuous support throughout the initial months.

Inclusive environment

To foster a welcoming environment and support cultural integration for new international employees, we recommend the following initiatives: a) a buddy system b) cultural sensitivity training c) social integration initiatives d) regular check-in meetings.

Any activity that helps integrate the employee into their team and company culture is recommended. Also, using a common language, preferably English, can reduce isolation.

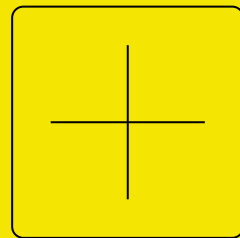
Additionally, highlighting existing foreign talent strategies and success stories can reassure new hires about integration, especially given Lithuania's reputation as a colder region with less open people.

Language courses

To mitigate the fears related to language barriers and overcome this limiting factor in relocation, we advise that companies offer language learning opportunities, including language training programs or (informal) language learning activities in the workplace.

As an alternative, companies can offer to cover the costs of Lithuanian language courses for foreign employees. This will facilitate their integration and make it easier for them to cope with day-to-day communication outside of work, contributing to their overall satisfaction.

AVERAGE ICT NET SALARIES IN PORTUGAL BY SPECIALIZATION¹



Specialisation	Junior level	Mid-level	Senior level
Back-End Developer	1 469-2 437 Eur	2 112-3 472 Eur	2 647-4 084 Eur
Front-End Developer	1 571-2 112 Eur	2 066-3 472 Eur	2 437-3 880 Eur
Full-Stack Developer	1 665-1 979 Eur	2 182-2 856 Eur	2 437-3 880 Eur
DevOps Engineer	1 805-2 647 Eur	2 299-3 268 Eur	2 647-4 288 Eur
Data Scientist	1 758-2 299 Eur	2 322-2 521 Eur	2 647-3 187 Eur
Data Engineer	n/a	2 023-2 437 Eur	2 827-3 758 Eur
Mobile Developer (Cross platforms)	n/a	2 856-3 676 Eur	3 064-4 288 Eur
Cybersecurity Architect	n/a	n/a	3 064-4 288 Eur

¹ Compiled by the author based on information provided by Damia Group Portugal (<https://www.damiagroup.pt/>) an international recruitment agency specializing in tech talent recruitment in Portugal.