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**HUMAN CAPITAL IN UKRAINE'S IT SECTOR**

The IT sector has solidified its position as a cornerstone of Ukraine's economy, demonstrating remarkable resilience and sustained growth even amidst the challenges posed by the ongoing military conflict. In this dynamic environment, human capital—the collective skills, knowledge, education, and professional development of IT specialists—stands out as the sector's most vital resource, significantly influencing its competitiveness in the global arena. This analysis delves into the intricacies of the current state of human capital within Ukraine's IT sector, with a particular focus on understanding the profound impact of recent geopolitical and economic conditions on its evolution and trajectory.

The military conflict has triggered a dramatic shift in the geographic distribution of IT professionals across Ukraine. Initially, before February 24, 2022, over 70% of IT industry employees were concentrated in major urban centers such as Kyiv, Kharkiv, and Lviv. However, the war has significantly disrupted this pattern, leading to a substantial decrease in the proportion of IT workers in Kharkiv, which has been particularly affected, with its share dropping from 14% in 2021 to 4% in 2025. Simultaneously, the western regions of Ukraine have experienced an influx of IT specialists, with Lviv's share increasing from 14% in 2021 to 21% in 2022 and then stabilizing at 18% in 2023-2024. While some specialists moved abroad, the proportion of those who moved abroad but plan to return has decreased to 4% in 2024, compared to 8-9% in 2022-2023. [1]

Entrepreneurship is a prevalent model of employment within Ukraine's IT sector, with approximately 73% of IT professionals working as entrepreneurs. The number of IT specialists registered as entrepreneurs has increased 3.5 times over the past 10 years, from 77,000 in 2015 to 275,000 in 2024. However, the most significant growth occurred between 2019 and 2022, with an annual increase of around 30,000 specialists, and 2023 saw a slowdown.

The full-scale invasion has had a notable impact on the emigration intentions of IT specialists. Before the war, around 45% of IT specialists did not plan to emigrate. In 2024, the desire to emigrate has intensified, with 15% of IT specialists wanting to leave, while the share of those who do not plan to emigrate has decreased to 44%. [2]

Ukraine's IT sector is experiencing a transformation in the specialization and experience levels of its workforce. There's a diversification of IT roles, with a decreasing share of professionals identifying as developers (from 61% in 2015 to 47% in 2024) and a rising demand for specialists in areas such as DevOps/SRE (from 1% in 2015 to 4% in 2025), analysts (from 2% to 4%), and data science (from 1% to 3%). At the same time, the share of junior specialists has declined to 24% in 2024, the lowest in the past 10 years. [3]

Education and skills development are critical components of human capital in the IT sector. A significant majority (96%) of IT professionals have completed or are pursuing higher education. Furthermore, English language proficiency is recognized as a crucial skill, and the share of specialists assessing their English level as Upper-Intermediate or Advanced has increased from 40% ten years ago to 59% today.

Despite the challenges posed by the war, the IT sector in Ukraine has witnessed an increase in salary levels across various specializations. For example, the salary of a Senior Software Engineer has risen from $3,000 in 2015 to $4,700 in 2025. [4]

The distribution of IT professionals among different types and sizes of companies is also undergoing changes. In 2024, 45% of IT specialists were employed in product companies, surpassing the 36% working in service companies. In 2015, the situation was the opposite: 50% worked in service companies, and 29% in product companies. There has also been a shift in company sizes, with the share of employees in large companies (1,000+ employees) declining in recent years, while the share of those in small (up to 50 employees) and medium-sized companies (50-1,000 employees) has increased. [5]

Ukraine's IT sector has demonstrated a capacity for growth and adaptation, driven by the strength of its human capital. The sector has navigated significant challenges, including internal and external migration of specialists, shifts in employment structures, and the need to adapt to a changing economic landscape. To ensure the sector's continued sustainable growth, it's imperative to prioritize investments in human capital, foster improvements in working conditions, modernize educational frameworks, and proactively address the issue of brain drain.

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