



**Empirical  
Search**

Practical Recruitment Solutions

# Market Update

**Treasury & Risk Oversight**

**Financial Services**

**H1 2023**

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## **Introduction**

Biannual market updates come around fast and writing this one when the market typically has a summer mini lull seems appropriate, as the market has been busy the year to date. Busy is not always a sign of an abundance of vacancies. Activity in H1 was healthy, though we've also experienced increased cases of revisiting searches, challenges in identifying candidates, and controlling the outcome has also played its part in what has been a unpredictable period of recruitment.

We see the market in H2 maintaining a need for external talent in prudential skills across first, second line and regulatory finance roles, yet with hiring showing a degree of softening as the banking and wider financial services sector manage to control costs.

Below are some snapshots of Notable Activity and Key Messages we feel worthy sharing to those planning or currently recruiting. We hope these are useful and continue to welcome your feedback and discussion.

## **Notable Activity**

**Internal pay increases** – out of cycle inflation pay increases; inter-department moves; and continued counter offers, all contribute to the market shift in rebasing pay bands.

**Job flow peaks** - start of March saw a flurry of new vacancies and activity levels notably increased. Likely an initial knock-on effect of resignations made the past 4 months when bonus season started in December.

**Unexpected increased candidate flow** – market led institutional changes - Credit Suisse failure/ Fintech & Crypto uncertainty – have contributed to a new wave of job seekers.

**2<sup>nd</sup> and 3<sup>rd</sup> line** – notable increase in number of treasury or prudential risk (2<sup>nd</sup> line); or audit (3<sup>rd</sup> line) of defence roles in the market across all financial services and sub sectors.

**Data skills** - The greatest concurrent use of the words 'data and liquidity risk' in CV's / job advertisements / job descriptions that we have seen since the popularity data began. A likely sign about the growing reliance on empirical lead analysis.

**Vacancy revisits** - Offer rejections via counter or competing offers is the highest we have ever seen, and this includes rejections post contract signing, sometime days before joining. The need for a pipeline of back-up candidates and a recruiter to juggle greater assignments to produce the same result is paramount.

**Niche regulatory skills required** – an increase in the number of IFR/IFD/ICARA requirements across the banks and non-banks.

**UK ALMA CertBALM®** - now in its 8<sup>th</sup> year, this treasury qualification continues to gain popularity and recognition in the treasury community. We continue to refer CertBALM® to all our candidates seeking advice on qualifications.

### **Increased Visa options**

New Visa options offering additional choice for hirers to employ non-UK nationals. **British National (Overseas) Visa (BNO)** allows Hong Kong residents with British nationality within their family, to work in the UK for 2.5 years or 5 years. **Graduate Visa** allows a graduate of a UK university full time work for 2 years, or 3 years if gaining a PHD or other doctoral qualification. The same conditions apply for a **High Potential Individual (HPI) Visa**, though the difference being the candidate must have been awarded a qualification by an eligible university in the last 5 years. The **Youth Mobility Scheme Visa** and the **India Young Professionals Scheme Visa** both allow 2 years full time unrestricted work. Our advice is to consider the average tenure of an employee and two years starts to feel like a good deal. Afterwards these 2 years there is the option to transfer to a **Skilled Worker Visa** and this low cost option feels more economical than replacing the employee when factor new recruitment costs and indirect costs such as time to recruit, lost time to do your own job.

### **Junior talent**

The last few years have seen higher volumes of recruitment across the banking and wider financial sector and the growth of the fintech sector. Noticeable hiring peaks covered junior to mid-level management. We have not seen as many signs of investment in junior candidates in the same period, making identifying junior talent or the 'first time mover' harder.

### **LinkedIn direct advertising**

The speed at which active candidates get notified about a new role due to LinkedIn marketing by hiring managers and 'reposts' and 'likes' has increased. This creates an instant wave of interest, yet we continue to be invited to recruit these roles as initial interest does not always correlate with a committed or appropriate skilled job mover. Please feel comfortable speaking with us before official approval is gained for external recruiters and any insight is good insight and could benefit you.

### **Corporate Titles – are they important?**

Salary uplifts have consistently held the top priority position when moving roles as it's a tangible factor that offers instant gratification. The corporate grade offered can hold similar value, yet it's a priority point recruiters regularly attempt to play down. Not in the same industry is there a consistent title structure. What a title means in one employer can differ to another. The advice we promote is once decided on salary, focus evaluating the opportunity on the role responsibilities; the growth prospects; the organization, not the corporate title.

### **Regained interest in tried and tested banks**

With the recent funding challenges faced by a range of start-ups spanning neo banks; non-banking fintech's; crypto; and non-bank lenders, we have seen a regained interest in established banks spanning the high impact banks and global players. It's a welcomed outcome for numerous banks who are maintaining increased hiring strategies in preparation for ongoing regulatory demands.

### **Notice periods**

A frequent misconception is that the lower the corporate grade means a shorter notice period. Three month notice periods far exceed one and two months. Retrospective planning must be considered when hiring and factoring in; gaining internal approval; search time; pre-employment screening and notice period time. It is not uncommon for a hassle free search to last as long as 6 months. And we still promote that hiring managers regularly meet their new joiner in the notice period.

### **Our website vacancies**

Though we have a very high success rate of candidate referrals we will always place a premium on advertising our vacancies via our website, [Efinancialcareers.co.uk](http://Efinancialcareers.co.uk) and LinkedIn. Our website only posts vacancies where we have client approval to recruit. Vacancies typically stay posted for 6 months to cater for the search period, which can vary from weeks to months; the uncertainty of the notice period; and the unlikely event the candidate leaves shortly after joining. The net result is an applicant for a vacancy at the end of our job search page has every chance of being placed in a role as an applicant for a recent posting.

### **Why do recruiters continually say it's always tough?**

The recruitment market is constantly moving between being candidate short and job short. In a candidate short market where job vacancies are plentiful and candidates are not, the candidates who are committed to move will apply for less due to the increased choice and they will likely demand more. Recruiters are stretched servicing the increased vacancy volumes and dealing with candidate search challenges. A job short market sees candidates bunker down to feel safer in their known environment. They are harder to prize out, hence the common response from recruiters is said, "good candidates are hard to find". Both markets still offer a place for the 'speculative candidate'. The speculative candidate can at times be a more committed candidate than an active candidate, as the speculative candidate has made a considered choice for the recruiter to proactively promote them.

### **Summary**

After 8 years in operation and despite being recognized as a leader in our sector, we felt it worth explaining how we operate and why we feel it is unique. At Empirical Search we prefer to use the words 'our' and 'we' as the work you see is a team effort. We value contribution between us and regularly the end result our clients and candidates see is not solely the result of the consultant they work with. We are naturally motivated to fill all our vacancies, though realistically many factors will lead to an imperfect delivery rate. Our goal for perfection remains to ensure both clients and candidates irrespective of the final outcome, have an enjoyable and fulfilling experience of the recruitment process. We sincerely hope you have.