



**Empirical
Search**

Practical Recruitment Solutions

Market Update

Treasury & Risk Oversight

Financial Services

January to June 2021

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Market overview

Wimbledon, Silverstone, The Open Championship, Euro 2020, The Proms, some semblance of summer, and the Empirical Search market update, what more could July offer! We'll try and update you on discipline trends, notable movers, working from home, diversity; changes in the recruitment experience, replacement hiring, and an update on our developing business.

Hiring trends and highlighting key technical areas in demand remain a key theme in the update. We have always maintained an arm's length in defining the inherent driver of demand as it is rarely systematic, often variable, and unique to each employer. Recruitment remains active, our third consecutive market update to report such activity. Positive activity feels the best description, certainly not to the extent of being buoyant, though there has been a notable shift in some disciplines to a market favouring the supply.

Notable Activity

Regulatory Reporting – Regulation is viewed as a safe career choice and the continued activity in COREP regulatory reporting confirms that view. Most actively seen in small and start-up banks, with demand from junior levels through to mid management.

Structured Funding – Remains active and notable trend is the uptick in salaries at the junior level, easily a 20 – 30% increase.

Treasurers - Notable shifts in global names including Standard Chartered, HSBC, UBS, and Lloyds identifying an understudy. Positive to see a shared split of gender diversity across these. Higher volumes have materialised with smaller banks, ranging from regional, pre full licence start-ups, specialists, as well as non-bank lenders.

Capital – Higher concentration of capital roles spread across Treasury, Finance and Risk and largely concentrated in the £80k - £100k salary range.

Payment companies – Vast increase in treasury talent for the growing community of new payment companies. Control skills being the premium sought to ensure a reliable framework is built to manage cash, liquidity and FX management, ensure client money is safe, and to forecast effectively.

Next generation technology - Regulation technology gaining interest, examples being Machine learning within Regulatory reporting to enable better and enhanced predictive forecasting and facilitating the identification of trends more effectively than traditional approaches.

'Working from home' whilst starting a new role

New joiners have faced the challenge of adapting in isolation to 'The New'. New employer, new role, new manager and new colleagues. Following a brief survey of three questions topical for such an experience we found the following:

1. The **most challenging** aspect to starting remotely included building rapport; navigating around the business and lack of learning via osmosis; all traditionally enabled by casual catch ups, meetings, or simply swivelling on your chair to ask a question.

2. What was **unexpectedly beneficial** included the extra time saved from commuting and a quieter environment to upskill on the new role; headspace to generate new ideas and think more strategically. Reliable technology also factored.

3. Everyone surveyed would be **comfortable starting remotely again**.

Outside this survey a developing trend suggests the employer of choice, alternatively referred to as progressive employers, are those who offer tailored working from home models as opposed to a one model fits all approach. The location of where one works is fast becoming the question of the **3-2 split**. Which way will it fall, working at home more or the office? A new way of working has been mandated, call it blended, hybrid, agile, whatever the term, the Monday to Friday working week will soon change forever. A minority of employers are offering 100% flexibility, opening the talent pool considerably when hiring.

Opinions differ between how working from home can operate successfully compared to office base work, considering a healthy population remains favouring a full-time office-based environment. And let's not forget favouring to work in the office is not always a personal choice with factors including logistical struggles, shared or studio accommodation being genuine challenges.

The clear favourite amongst the benefits for blended working favours the workforce with families, offering increased time with the varying family commitments at home. Improved sense of local community has been raised and work life balance is still debatable with the clear line between work and home often remaining blurred.

Salary benchmarking for blended working is evolving as regional based candidates have greater access to London salaries. This beckons the question as to why regionally based candidates would limit their job searches to their local region when there are growing possibilities to be employed on London salaries, with limited office time required. This is a development we aim to monitor and welcome discussions with our regional clients.

Diversity

Diversity is a highly pertinent topic and recruiting technical roles poses constant challenges, especially where preference favours the tried and tested skills over and above those deemed as transferrable. To improve balance in diversity, focus is required at both ends of the skilled spectrum. At the junior end, diversity can be achieved through hiring based on transferrable skills and intellect, whilst at the senior end diversity can be achieved by focusing on softer skills such as favouring stakeholder management and ability to communicate the message – all derived from the technical team beneath. Encouraging signs to report are an increase in the number of female candidates coming through at the junior levels, hopefully helping future diversity.

Diversity has largely focussed on gender and ethnicity, though it can also cover personality, mindset, and approach. Without fail, we hear the requests for 'cultural fit' in recruitment briefs, though companies who best demonstrate diverse hiring, highly rank cultural contributors and positive culture disruptors, to achieve a diverse workforce.

Retrospective hiring

Hiring can be an arduous task, often challenged by delayed planning. The importance of working backwards from the eventual start date cannot be underestimated, as far too often recruiting starts when the leaver is nearing their last day, though the need to replace has long been known. With due consideration towards gaining headcount approval, working backwards is the surest way to avoid delays, especially with 3 month notice periods being most common at all levels and recruitment processes typically spanning 4 to 8 weeks. It is not uncommon to wait longer than 6 months after deciding to hire.

Virtual meetings versus coffees – will there be a happy medium?

Every recruiter remembers being schooled in the advantages of meeting candidates and hiring managers. How many coffees can a recruiter have in one day!? March 2020 presented an unknown quantum – how would recruitment change and would delivery be affected?

We have no negative effects to report on delivery, from our experience, nor from the candidate experience. Client engagement for our business has remained positive and it is refreshing to see video calls becoming increasingly popular. Candidates found the logistics of interviewing easier, gained by greater control over their diary to accommodate CV construction, calls with recruiters, and interviews during the working day. All this achieved from the ease of the privacy at home with less anxiety to leave the office to interview.

Empirical Search

As lockdown concludes we also say goodbye to Shamus Birch, our Researcher for the past three years. We could not have hoped for a better colleague and Shamus has represented our brand in our intended manner, ensuring everyone dealt with has an enjoyable and fulfilling experience. Though sad to say goodbye we welcome Oliver Wyard to the Researcher role to continue supporting our efforts to identify the best talent in the market.

Our core business of Treasury and Prudential Risk remains active, we are continually adapting to market developments, most notably strengthening our capability in identifying finance talent with regulatory expertise, as well as understanding the nuances of growing fintech firms. We feel optimistic about the future and always welcome your contact for advice and services as and when needed.