

Marks Sattin carried out a 2017 CFO Survey, which focuses exclusively on the London financial services sector. Our results demonstrated a positive change in sentiment in the city in contrast to the post Brexit blues experienced in the summer of 2016.

Our survey consisted of respondents from Banking (34%), Investment Management (45%), Private Equity (17%) and Insurance (4%) sector of which 79% were from SMEs and 21% Large organisations.

In 2016, 83% of these organisations experienced revenue growth, while 82% of CFOs are positive about their companies' growth prospects in 2017.

When probed about the most significant impediments to growth in 2017 CFOs cited the economy/political uncertainty (65%), increased competition (19%), increased regulation (7.7%) and attracting the right people (7.7%).

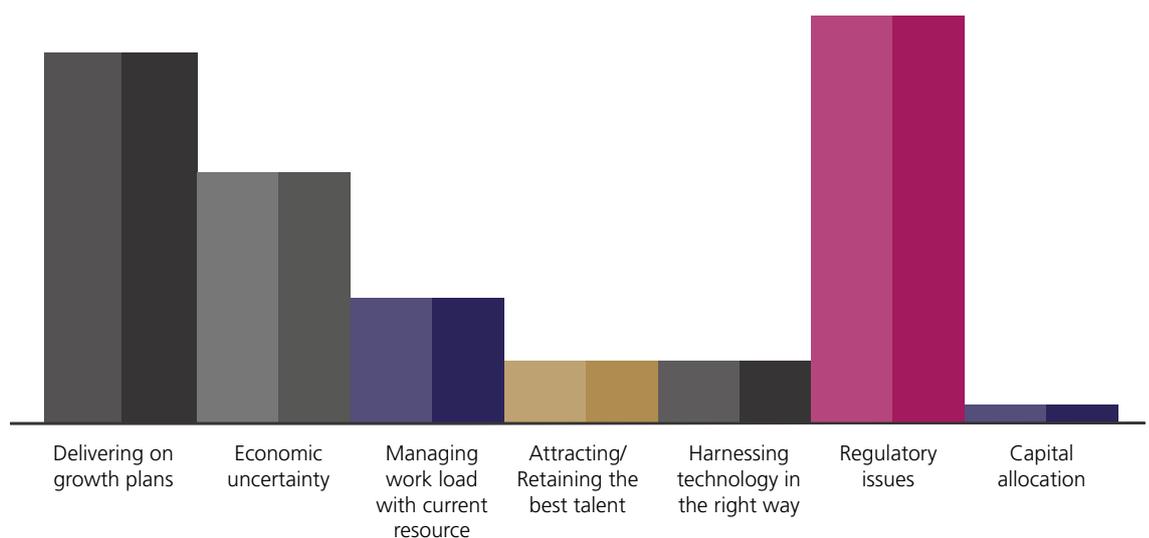
WHAT'S KEEPING CFOS AWAKE AT NIGHT?

This is perhaps the best barometer of sentiment among senior finance leaders. When we asked CFOs which was the single most important issue currently weighing on their minds, we saw some familiar themes such as regulatory issues (35%), economic uncertainty (19%) and managing workload with current resources. However 31% of CFOs said that they were most concerned about delivering on growth plans while others were more worried about harnessing technology or attracting the right talent.

It's also worth noting that while many back offices had suffered from under investment post 2008, nearly 28% of CFOs expect to make significant investment in finance related technology in 2017.

Interestingly, whilst the finance function is taking a more prominent position in the decision making within financial services businesses, only half of CFOs said that they spend more than 30% of their time dealing with strategic matters as opposed to business as usual finance responsibilities. Even more surprisingly only 19% of CFOs spend the majority of their time dealing with strategy.

As CFO what is your number one concern?

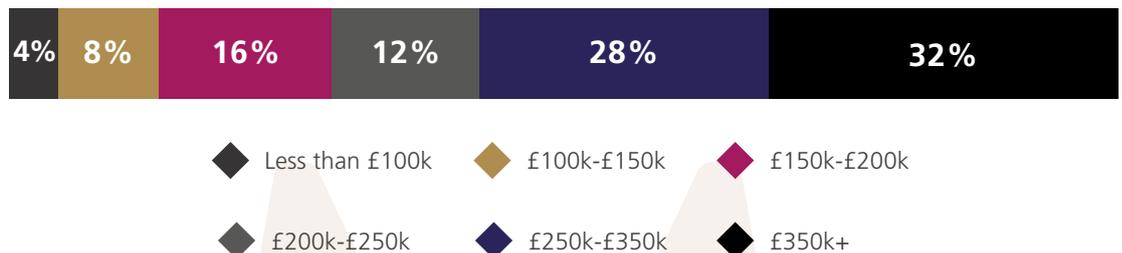


CFO PACKAGES

While our survey was biased toward London based CFOs in the financial services sector, the size and activities of these firms were very varied thus there was still a wide disparity when it came to remuneration. 88% of CFOs earned packages greater than £150k, 72% of CFOs received remuneration packages in excess of £200k, whilst 32% of CFOs earned in excess of £350k.

Surprisingly, only 64% of CFOs surveyed participated in some form of equity or carry scheme in the business.

What is your current package including salary, bonus and equity?



HIRING

In 2016, 76% of these firms increased the size of their finance functions whereas this year 68% of CFOs believe they will see an increase in the number of accountants they employ in 2017.

Despite the continuing uncertainty in the current climate only 48% of CFOs believed that they were more likely to use more temporary / interim resource in 2017 than the previous year.

Interestingly only 12% of CFOs think that they are likely to lose some finance headcount to European countries in the wake of Brexit.

96% of CFOs expected salaries within their organisations to rise, while 28% said that salaries would rise by 4% or more. Furthermore there was also good news on the bonus front where 72% of CFOs said bonuses would rise compared to 2016 and 16% of organisations would experience more than 20% increases in bonus pools.

Having navigated through a tricky year since the Brexit referendum there seems to be an air of cautious optimism among the majority of CFOs, and with financial markets riding high, firms are again on the front foot.

Thank you for reading our survey and we really appreciate the effort of all who took part. Marks Sattin will be making a donation to our charity partner Solving Kids Cancer on your behalf and we hope to follow up by providing regular market updates in the future.