13th EDITION

Market Insight

Salary & Market Trend Report

FINANCIAL SERVICES
LONDON

MARKS
SATTIN

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INTRODUCTION

I am very pleased to share with you our highly anticipated Marks Sattin Market Insight & Salary Trends Report, now in its 13^{th} edition.

Our annual report contains valuable insights from 1,600+ finance and tech professionals. We work closely with our expert recruitment consultants, and some of our key clients, to provide you with thought leadership on employment trends and market salary benchmarking, covering all of our specialist disciplines and our eight strategic locations in the UK, Ireland, and Europe.

Pockets of activity

In last year's report, we spoke of a market "correction at some stage in H2" 2022 to even out the post-pandemic 'great resignation' and hiring boom. While we did not see this correction last year, it has arrived, as expected, in the form of a slow start to 2023. Market challenges have also been exacerbated by ongoing high inflation, and the cost-of-living crisis, however, we are not alone in feeling this slowdown, as this is a consistent theme throughout the economy and across many industries.

Encouragingly, there are significant pockets of activity in the recruitment market. We are seeing elevated levels of demand for finance talent in commerce and industry across the UK. Despite the cost-of-living crisis, swathes of industries have been hiring at pace. We are seeing particularly aggressive hiring from the grocery industry, as they look to offset increasing costs and consolidate profits. Moreover, commercial businesses in this space are also increasingly looking for finance professionals with a transformation background. In many cases, this is to improve processes, encourage efficiency and implement ERP systems.

Likewise, Manchester has also proven to be a location with strong hiring activity. Long hailed as one of the most innovative cities outside of London, Manchester has cultivated a thriving SME economy, enabled by an ecosystem of investors, incubators, accelerators and coworking spaces. Additionally, the city is benefitting from increased investment from the government to improve infrastructure and travel links. We are excited about the future for Manchester over the next couple of years, this is definitely a location to watch.

A strong interim market

Throughout last year and this year to date, we have seen an increased need for temporary staff, fuelled by a shortage of permanent employees. Whilst the number of permanent vacancies has declined in recent months, interim has continued to thrive. This revival is, in part, due to the influx of highly skilled overseas candidates from countries such as New Zealand, Australia, Canada and South Africa.

According to the Office for National Statistics (ONS), there was 328,000 more vacancies in Q1 2023 than there was in Q1 2019. This means that, despite a slow start to the year, there are plenty of new opportunities, and employers must prioritise engaging and attracting qualified, quality talent.

Our advice to clients is to be bold and utilise this period of uncertainty to hire exceptional finance and technology people who will add expertise and value to your business in the future. We also encourage candidates to think about your career trajectory and development opportunities, to ensure you are achieving your goals.

Every year we try to choose a theme for our report that is not only aesthetically pleasing, but also represents a bigger message, this year it's starry skies – the stars represent the light at the end of the tunnel in a challenging economy at the moment, and, also, the sky is the limit when it comes to your career aspirations – we hope you enjoy it!
I'd like to thank everyone who took the time to participate in our research this year, we have donated £800 (50p for every response) to our longstanding charity partner, Solving Kids' Cancer, and awarded one lucky participant a £250 voucher.

If you would like to give feedback or would like to discuss your hiring or career plans, please get in touch.

Kind Regards,

Matthew Wilcox

OVERALL
KEY FINDINGS

REMUNERATION

What was the outcome of your last pay review?

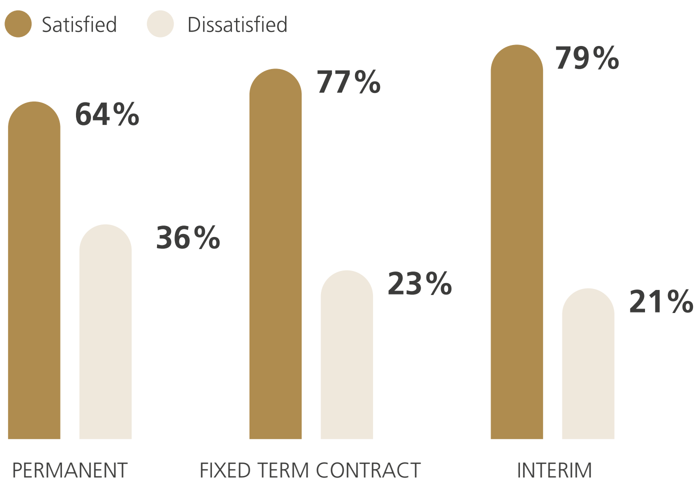
71% Pay increase

8% Pay remained the same

1% Asked to take a pay cut

20% Have not received a pay review in the past 12 months

How satisfied are you with your current remuneration?



BENEFITS

How satisfied are you with your current benefits package?

77% Satisfied

23% Dissatisfied

Top 5 benefits currently received*

- 25 DAYS HOLIDAY OR MORE
- GOOD COMPANY PENSION SCHEME
- FLEXIBLE WORKING (FLEXITIME / REMOTE)
- PRIVATE HEALTHCARE / DENTAL CARE
- INSURANCE (PMI / DEATH IN SERVICE / LIFE INSURANCE)

Top 5 benefits considered most important when choosing a new role

- 25 DAYS HOLIDAY OR MORE
- FLEXIBLE WORKING (FLEXITIME / REMOTE)
- GOOD COMPANY PENSION SCHEME
- ANNUAL BONUS SCHEME
- PRIVATE HEALTHCARE / DENTAL CARE

JOB SECURITY

How would you rate your current job security?

Secure 81%

Insecure 19%

What are your expectations for your role over the next 12 months?*

67% Salary increase

19% Promotion

15% Salary freeze

6% Secondment / internal move

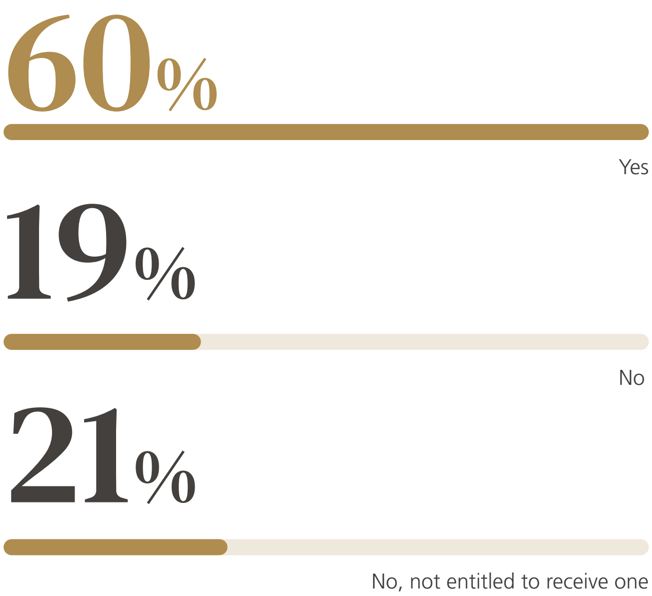
5% Redundancy

2% Salary reduction

*Respondents could choose more than one answer

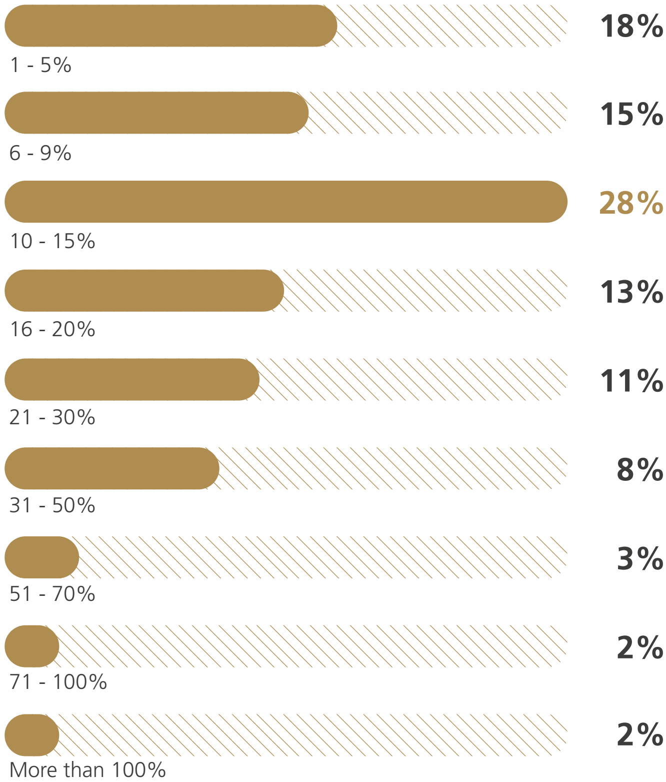
BONUS

Did you receive a bonus in 2022?



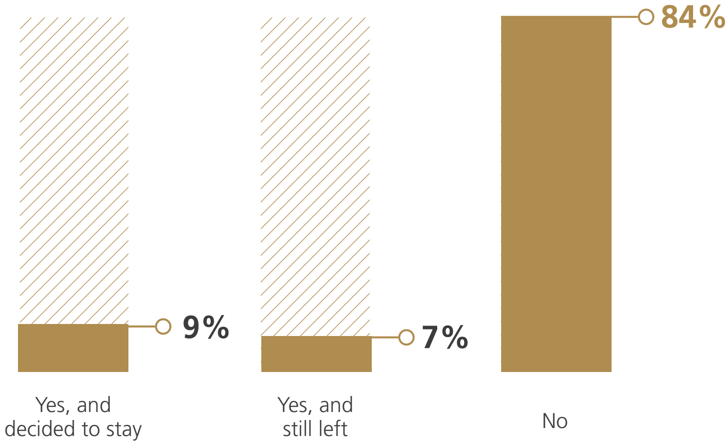
70% of respondents were satisfied with their bonus.

As a percentage of your basic salary, what was your bonus in 2022?



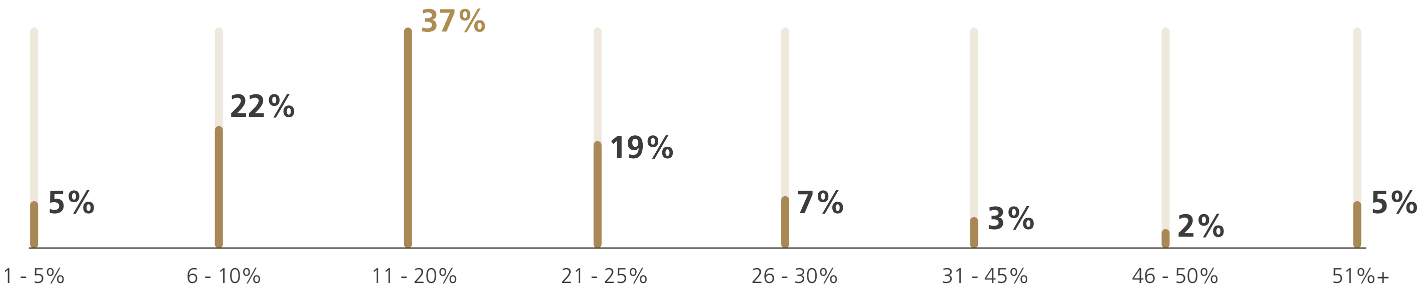
COUNTER OFFERS

Have you been counter offered in the last 12 months?



Were the reasons for your resignation resolved after you accepted the counter offer?

If you were considering a new role, what percentage increase of your salary would you accept as a counteroffer from your current employer?



*Respondents could choose more than one answer

YOUR ORGANISATION

Compared to the last 12 months, how confident do you feel about the economic prospects facing your company?

47% As confident

24% More confident

29% Less confident

Top 5 expectations for your business in the next 12 months*

1 ORGANISATIONAL GROWTH

2 COMPANY RESTRUCTURE / TRANSFORMATION

3 SALARY INCREASES

4 BUSINESS PROCESS / POLICY CHANGES

5 RECRUITMENT FREEZE

Satisfaction with current role

Satisfied	79%
Dissatisfied	21%

HOURS WORKED

How have your working hours changed in the last 12 months?

Increased	49%
Remained the same	29%
Decreased	19%
Not sure	3%

Reasons for increased working hours

BUSINESS GROWTH OR EXPANSION

RISING WORKLOADS

FILL A SKILLS GAP

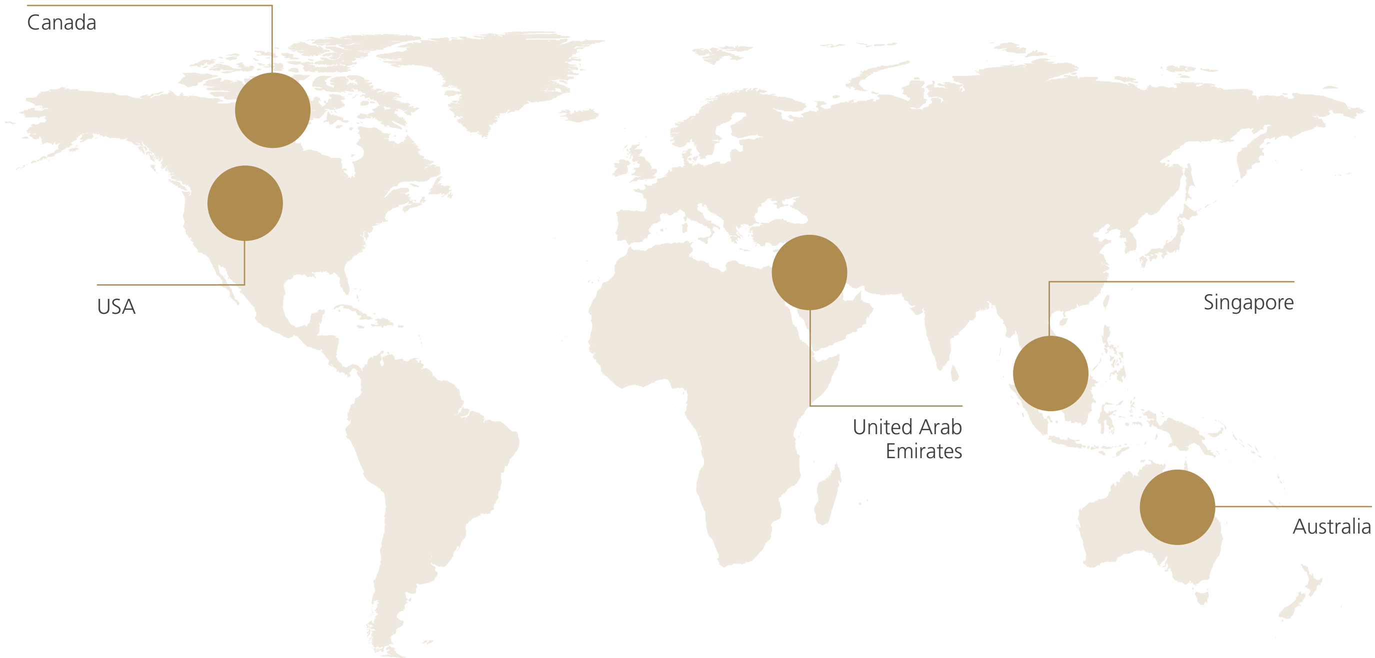
RELOCATION

Is job relocation on your agenda over the next 12 months?

81% No

19% Yes

Top 5 places respondents would consider relocating to in the next two years (outside the UK)*



MOVING ON

How did you find your current position?

- 27% Recruitment consultancy
- 11% Online advert
- 23% Headhunted
- 8% Internal promotion
- 14% My professional network
- 3% I founded my own company
- 13% LinkedIn
- 1% Not currently employed

41% of respondents anticipate changing roles, if the right opportunity presents itself, in the next 12 months.

Top three resources people use to find their next role.

1 RECRUITMENT CONSULTANCY

2 LINKEDIN

3 ONLINE JOB BOARDS

*Respondents could choose more than one answer

DEMOGRAPHICS OF RESPONDENTS

Here we outline the demographics of our survey respondents. Please note this is not a representation of our candidate and client community, rather a demographic overview of our research participants this year.

GENDER

64% Male

36% Female

(3 respondents chose non-binary)

AGE

17%	20 - 30 years
33%	30 - 40 years
28%	40 - 50 years
18%	50 - 60 years
4%	61 years and over

RELIGION OR BELIEF

No religion or belief	48%
Christian	38%
Muslim	4%
Hindu	4%
Other	2%
Jewish	2%
Buddhist	1%
Sikh	1%

DO YOU HAVE A DISABILITY UNDER THE EQUALITY ACT 2010?

In the Act, a person has a disability if:

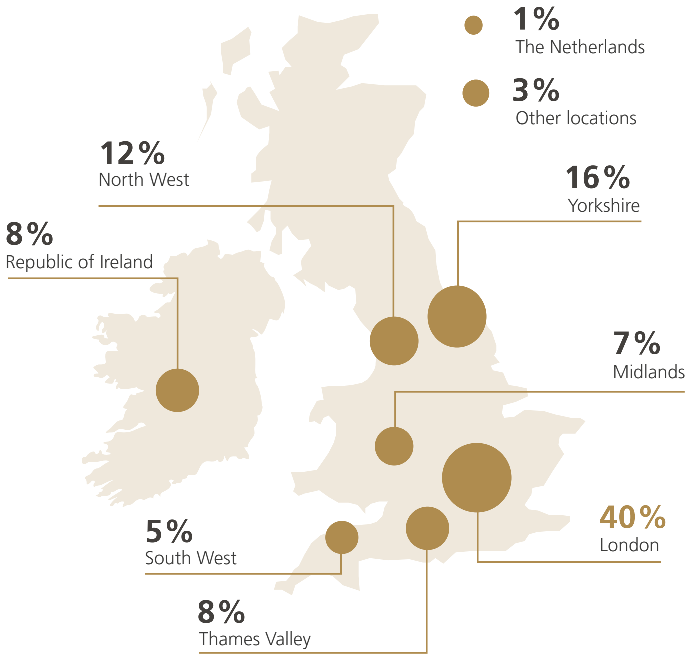
- They have a physical or mental impairment
- The impairment has a substantial and long-term adverse effect on their ability to perform normal day-to-day activities.

5%	Yes
95%	No

ETHNIC ORIGIN

White	78%
Asian, Asian British	12%
Black, African, Caribbean, Black British	4%
Mixed / Multiple ethnic groups	2%
Other ethnic group	2%
Prefer not to say	2%

ROLE LOCATION

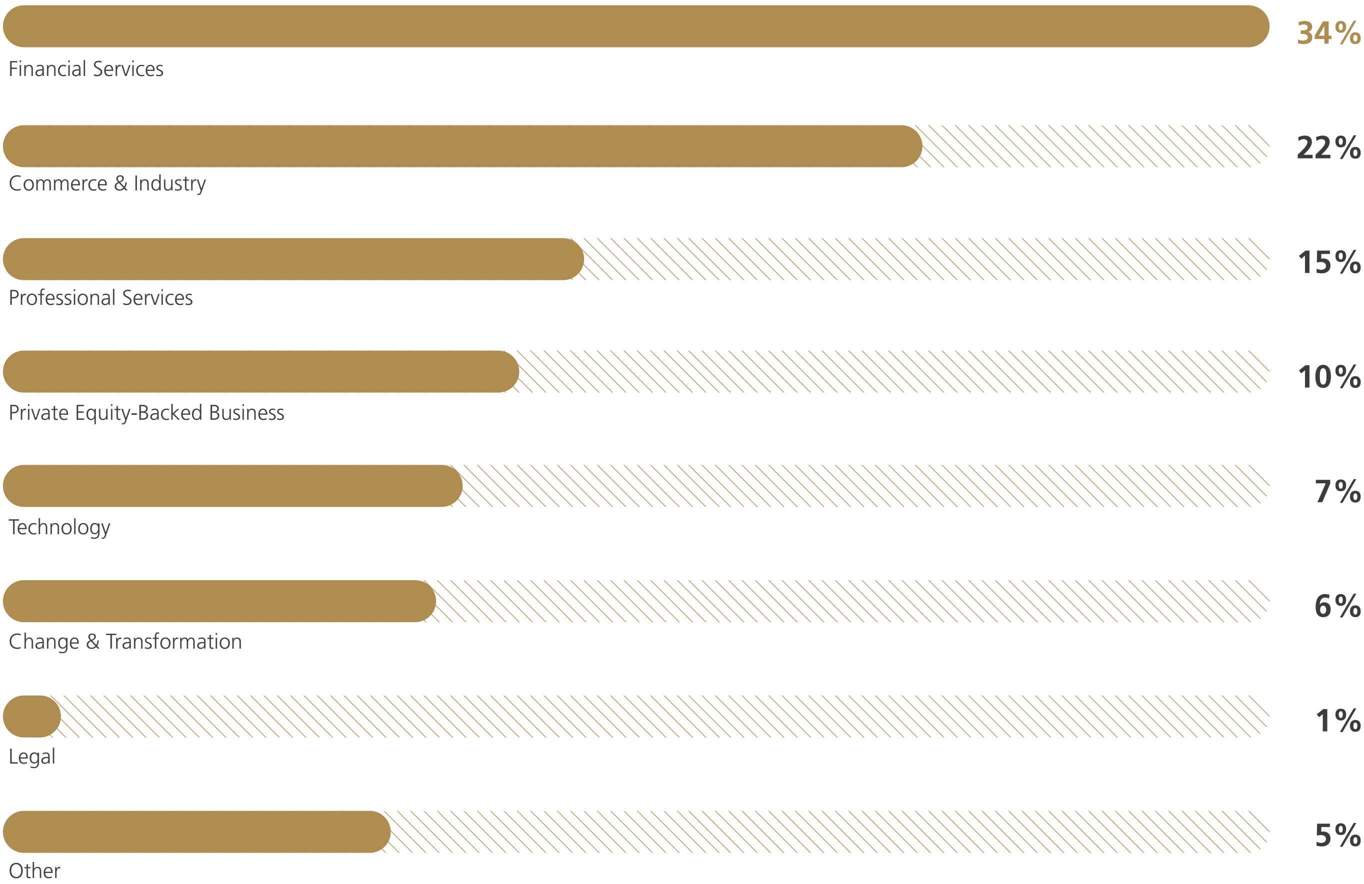


CONTRACT TYPE

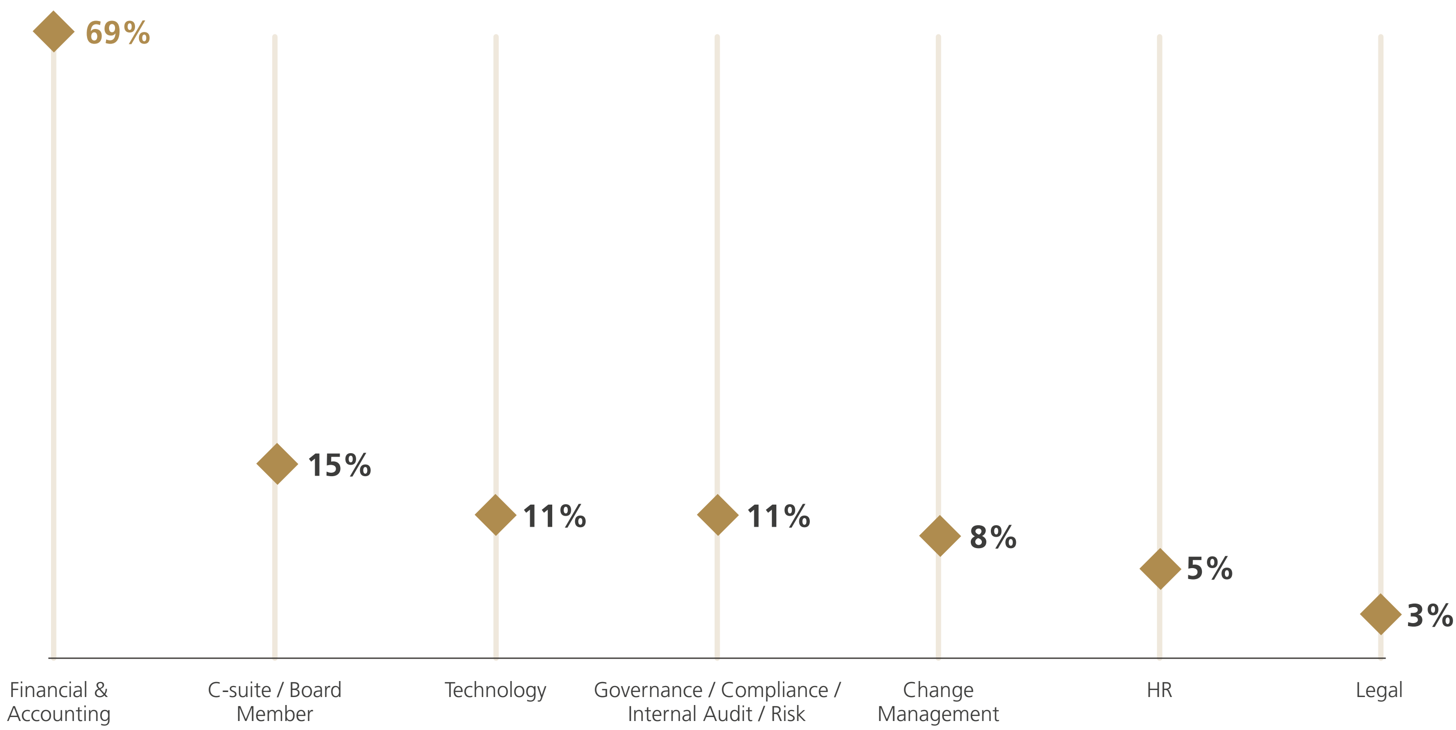
Permanent	85%
Interim / Contractor	6%
Fixed Term Contract	7%

2% of respondents chose not currently employed

SECTOR REPRESENTATION



BUSINESS FUNCTION*



*Respondents could choose more than one answer

EQUALITY, DIVERSITY & INCLUSION

Does your company have an official diversity board or committee?

42% Yes

40% No

18% Not sure

Are you confident that your organisation supports and encourages diversity in the workplace?

12% No

88% Yes

Is your organisation sufficiently diverse in the following areas?

	Yes	No	Not sure
Gender	77%	18%	5%
Ethnicity	66%	25%	9%
Religion	52%	10%	38%
Age	79%	13%	8%
LGBTQ+ community	49%	13%	38%
Disability	35%	24%	40%
Neurodiversity	31%	14%	55%

Do you think your leadership team is sufficiently diverse?

Yes 45%

No 43%

Not sure 12%

Does your company publish information on their gender pay gap?

51% Yes

49% No

The past few years have demonstrated just how important equality, diversity and inclusion are in modern society. Three years on from the pandemic, we have witnessed war in Ukraine, supply chains under intense pressure and soaring energy prices. The combination of these events has culminated in record inflation and a cost-of-living crisis. This has only served to deepen the divide in already challenged areas, such as the gender pay gap and access to education.

However, it is heartening to see our community engaging with us like never before on this important topic. All elements of social responsibility are high on the agenda for many professionals and employers.

EQUALITY, DIVERSITY & INCLUSION AT MARKS SATTIN

In 2020 we launched our Diversity & Inclusion Committee. The group is made up of a variety of different people from across our business who come together once a month to work on essential projects which ensure that diversity and inclusion remain a key focus.

SOME KEY PROJECTS THE COMMITTEE HAVE DELIVERED:

Marks Sattin Gets Even!

At Marks Sattin our 'Let's Get Even' campaign is striving for a 50/50 gender balance. Through a greater focus on diversity & inclusion, and a compelling employee benefits package we are recruiting and retaining more female employees. In a significant development we now offer enhanced maternity, paternity, and adoption leave. We also offer other family friendly benefits like IVF loan and Family Flex to ensure our employees are "working to live, not living to work". As a result of this we are gradually moving the dial on this challenge and our gender balance of 33% female in 2021, has now risen to 49% female in 2023.

Data and CRM project to better track and report on diversity stats

In Q4 2022 we implemented new software as part of our CRM to track the diversity of our talent pool. This allows us to continuously improve our ability to target and engage a wide and diverse talent network on behalf of our clients, support professionals in minority groups, whilst supporting our clients to reach their EDI goals.

Thought provoking content

We are committed to being brave and not shying away from difficult and important conversations. Our Diversity Discussion series covers a range of topics, from the gender pay gap, diverse and inclusive recruitment and collaborating with leading voices in our industries.

OUR DIVERSITY PROMISE

As a talent consultancy, we have an unwavering responsibility to represent everyone in our network in a fair and ethical manner. We commit to providing the same high level service to every professional we work with regardless of their age, gender identity, race, sexual orientation, physical or mental ability, and ethnicity.

We recognise and advocate that a diverse workforce contributes positively to a company's success and growth. It's not just about the service we provide, true appreciation for diversity, equality, and inclusion needs to be at our core. We pledge to keep embedding these values in our culture, so that as advisors, we feel empowered to afford the same opportunities we receive, to the professionals we represent.

Cindy Gunn
Group Head of People
cindy.gunn@gigroup.com

Visit our dedicated Equality, Diversity & Inclusion area on our website to learn more and read our related content

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- Legal
- Regulatory
- Real Estate Accounting
- Middle Office, Investment Operations and Oversight
- ESG

David Harvey
Director | Financial Services | London
david.harvey@markssattin.com

“2022 was a record year for investment activity. Take private deals were at an all-time high, with funds buying struggling publicly listed companies. However, Q1 2023 is proving to be a different beast altogether.

KEY FINDINGS

SECTOR REPRESENTATION*

Private Equity & Venture Capital	13%
FinTech	11%
Asset Management	11%
Banking	10%
Private Debt & Credit	7%
Investment Banking	7%
Real Estate & Real Assets	7%
Alternative Asset Management	6%
Insurance	4%
Hedge Funds	1%

JOB SECURITY

How would you rate your current job security?

Secure	Insecure
85%	15%

76% of respondents were satisfied in their current role

MOVING ON

Top 3 reasons for leaving last role

1. CAREER DEVELOPMENT / NEW CHALLENGE IN SAME CAREER
2. HIGHER SALARY
3. BETTER BONUS POTENTIAL

HEADCOUNT

Has the number of employees in your team changed in the past 12 months?

Increased	Decreased	Remained the same	Not sure
51%	16%	28%	5%

The main cause for an increase in headcount was business growth or expansion.

41% of respondents anticipate changing roles in the next twelve months, only if the right opportunity presents itself

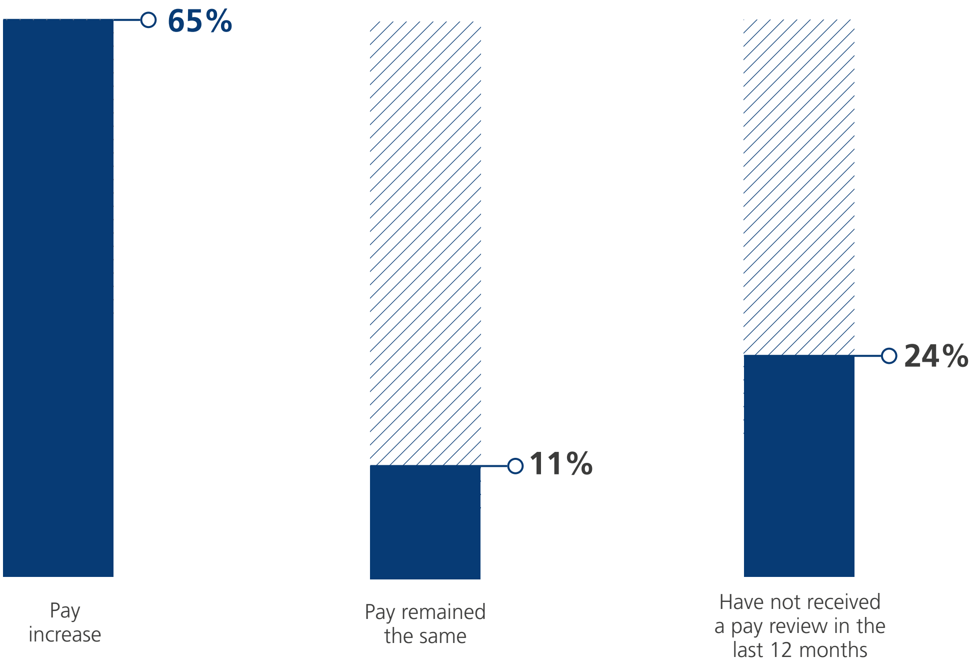
67% of respondents would use recruitment consultancies to help them find their next role

*Respondents could choose more than one answer

REMUNERATION

54% of permanent employees within financial services are satisfied with their current remuneration.

What was the outcome of your last pay review?

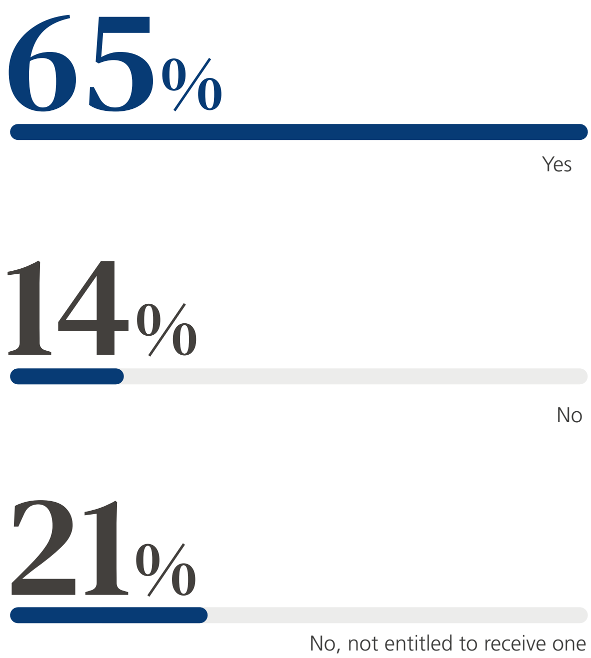


31%

of respondents perceive an 11 - 15% salary increase as acceptable if they were to move roles

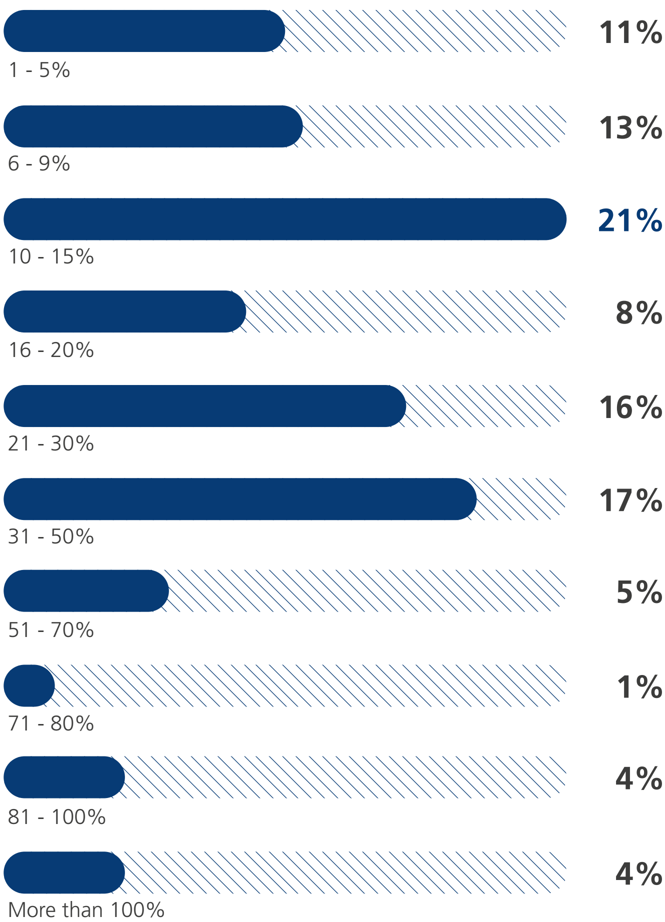
BONUS

Did you receive a bonus in 2022?



58% of respondents were satisfied with their bonus

As a percentage of your basic salary, what level was your bonus in 2022?



MARKET INSIGHT

Since January 2022, the financial services market has experienced several waves of change. Even as you are reading this, the market may have changed again.

2022 was a record year for investment activity. Take private deals were at an all-time high, with funds buying struggling publicly listed companies. However, Q1 2023 is proving to be a different beast altogether. Businesses have very much come down off the post-Covid high and are cooling activity. This is primarily because there is an increasing uncertainty in the market. The war in Ukraine, excessive inflation, rising energy costs and the cost-of-living crisis have all been contributing factors. It was also theorised that a brutal recession would hit the UK and Europe, but at the time of writing this has not materialised.

However, whilst activity is expected to remain low for the first half of 2023, all is not lost. From a business perspective, private equity firms and venture capitals have elevated levels of dry powder, which could supply a much sought-after injection of capital to many businesses.

As we go into the second half of 2023, we are expecting several key developments:

- PE firms will target businesses which are operating significantly below their record levels of trading
- Take privates will account for a sizeable proportion of capital deployment in 2023
- Take private leveraged buyouts (LBOs) will become less common.

In terms of the banking sector, we have seen major waves at the start of the year. The collapse of Silicon Valley Bank has been one of the major news stories, but rapid actions taken by the UK and US governments prevented a catastrophe. However, the news of SVBs demise was hotly followed by Credit Suisse's collapse. This series of events has spooked investors and customers. Initially, these two events were regarded as exceptional cases, but that narrative is becoming less certain as the weeks go on. Given that several challenger banks have also suspended operations and filed for bankruptcy in the first half of 2023, there is considerable uncertainty in the market.

Although, everything is to play for in the second half of 2023. Central banks are working to keep money flowing and avoid a credit crunch similarly to in 2008. The European banking system has been working to ensure banks have built up sufficiently large capital buffers and adhered to strict liquidity rules to withstand the next crisis without significant hurdles.

Furthermore, the UK banking sector is performing well because of high interest rates, which the Bank of England has brought in, in a bid to counter record inflation.

Real Estate Funds
Unlike some parts of the financial services sector, the real estate fund industry has evolved beyond cyclical headwinds e.g., rising interest rates, declining gross domestic product (GDP), sinking deal flows and moving to a longer-term strategy. Speaking to clients, many real estate funds are riding out the current slump in activity and repositioning their firms for an imminent period of strong returns and sustained growth.

Whilst there the industry has seen a slower start to the year, we are cautiously optimistic. The post-pandemic years were record-breaking for the sector and many firms were hiring heavily. A slowdown, or rebalancing, was always going to happen.

However, despite the slower than usual start, there is a good volume of real estate fund roles available. Typically, we're seeing permanent opportunities from fund accountant level to fund controllers, within a salary range of approximately £55,000 to £100,000+.

Candidates are having to be much more active in finding new jobs as the number of roles available has slowed down. In the past candidates may have just waited for news of new roles to land in their inbox, but they're now having to actively search and apply. We are seeing fewer candidates receiving multiple offers and, whilst excellent candidates will always have a choice, we're noticing that people may need to be more flexible with their requirements. They've been forced to become more realistic when it comes to salary requirements and may have to accept less working from home than they'd ideally like.

In the two years after the pandemic, we saw some jaw-dropping salary increases as employers fought for talent, but this is reverting to the pre-pandemic norm of a 10-11% increase on base and a larger bonus.

Fund Finance
Building on a major trend from 2022 we predict that alternative, non-bank lenders will accelerate growth of their market share. And despite the uncertainty, volatility and slowdown in fundraising, 2023 will be a strong year.

A further trend from 2022 we expect to continue is the shortage of junior fund finance talent. This shortage has a knock-on effect to the senior end of the market as it means fewer people are filtering through to the senior roles. As a result, those in mid to senior roles looking for a new opportunity, have a plethora of exciting opportunities available to them.

Experienced fund controllers or fund accountants have the pick of the market and excellent progression opportunities. Their end goal is usually to reach CFO level, which requires an excellent CV so candidates can afford to be choosy about the roles they take. The challenge for clients is offering the right package and exposure to ensure they're able to attract the best candidates in such a competitive market.

Salaries are still trending upwards, and it is standard for top talent to receive a counteroffer during the recruitment process. In the rare instances where this is not happening it's because employers simply can't compete with the sharp increases - it's common to see offers between £40,000 to £100,000 above the original salary, but businesses are aware they must tread with caution in order not to disrupt existing pay structures.

In terms of future trends, we are already seeing a big move away from the traditional accounting roles. For accountants working in this area their roles are all about proving value added and being able to use data analytics and visualisation to inform investors, fundraising and management. They're also getting increasingly pulled into optimising fund performance through things like FX and hedging.

Asset Management (middle office)

The market has remained extremely competitive, with no signs of slowing down.

Recently we've seen a bigger focus on operations and oversight roles, particularly in the alternative/credit space, and we're seeing a larger amount of senior roles becoming available than usual, despite the fact there are not enough candidates to keep up with demand.

Candidates are showing much more willingness to move than they were in 2022 and can command high salaries for doing so. The more junior candidates are very much in demand, but it can be trickier to move at this level, which is resulting in exaggerated salaries as firms are keen to do what they can to secure this talent.

We're noticing that the requirement for accountancy qualifications is increasing but it is still the case that experience will always trump qualifications. Another emerging trend is the need for senior qualified accountants to head up ops functions as they understand third-party administrators - crucial as more businesses face financial difficulties.

We're also seeing a growth in demand for those with backgrounds as fund administrators to make a move into the asset management sector, as clients are recognising the strength they have in the oversight of these functions. There's also a need for those with broad knowledge across various jurisdictions. We're finding clients are wanting potential hires to have exposure to UK, Luxembourg and US GAAP.

In terms of candidates' expectations, we're seeing a softening around demands to work from home. People are no longer expecting this to be a given and are more accepting of a return to the office. We're also finding that candidates are being realistic about salaries and packages.

Bonuses are beginning to rise in the middle office market, albeit still not hitting the same level as front office counterparts. Pensions have risen considerably with only a handful of asset managers bringing in Long Term Incentive Plans for certain extremely strategic roles.

Insurance

As with most others in the financial sector we've seen a very buoyant jobs market, with a huge influx of roles in the past 12 months, across all areas.

No-one is shying away from hiring but there is a real shortage of candidates. People who work in insurance tend to stay in insurance, so the challenge is in attracting candidates away from businesses in the same space. However, we have worked with several businesses who actively recruit talent from outside of insurance as they will still have a great regulatory background and relevant transferable skills. InsureTech (digital innovation within the insurance industry) has created a huge boom – like we saw with FinTech in previous years.

Banking and Capital Markets

Within BCM there is a high demand for candidates with two to three years' experience, ideally from industry and not straight out of practice. At a senior level (£100,000 FC to CFO level) candidates are easier to come by as people are more willing to move, creating a more fluid market.

More generally, people are becoming less wary of moving as they see that the market activity seen in 2022 has been maintained and was not an artificial spike.

Most candidates are in multiple processes, something which was particularly prominent at the end of 2022 when we were seeing candidates in as many as four or five processes. This appears to be calming down now, which is welcomed.

We're still seeing a high volume of £70,000 candidates, with 1-2 years' industry experience, and we're seeing a significant increase, within BCM, of regulatory reporting roles. Previously something that was shared among the finance team, it has now become a full-time job with firms needing full teams in place, working separately from existing finance teams.

At the lower end of the scale, it is more competitive, but we've placed those with one to two years' experience in regulatory reporting roles with salaries of £70-£80,000. A part-qualified accountant with exposure to working on regulatory reporting would be looking for £40-£45,000 but to attract the best talent at this level, study support packages and clear progression would help.

In terms of candidates' expectations, across the board, many do have an overinflated idea of salary due to the rise in demand that we witnessed during 2022. Counteroffers have skewed the market too, giving people an inflated idea of what their salary should be.

It's difficult to say what the future holds. We predicted last year that the market was going to stabilise, but this has yet to happen, if anything it has been even busier. Nothing has really been predictable since Covid. Perhaps that is the new normal?

FinTech Finance

The FinTech market remains buoyant as there is always modern technology being developed. Valuations have taken a hit over the past six months and there is a renewed drive for profitability, which has created new opportunities in finance, technology and change.

However, we're not seeing much talent movement between FinTech companies, rather more from other sectors like commerce and industry who are moving in to FinTech.

Accountants are usually being hired from other high-growth businesses as FinTech firms prepare to grow their teams or scale up their functions from scratch. FinTech firms like their employees to come from other areas where there has been rapid growth, limiting the candidate pool.

The higher risk associated with FinTech and general uncertainty around the economic climate mean we're seeing less investment activity and candidates are less willing to move. People are comfortable in their current hybrid working set-ups so have less incentives to make a change.

Those candidates that are moving are still entering an extremely competitive market and it's not uncommon for them to have up to five offers on the table.

Candidates have high, but realistic, salary expectations and will usually only move for a decent uplift in salary. While salaries have remained strong, we're also seeing a change in benefits, with quirkier additions becoming more commonplace, such as duvet days, fully stocked bars, chill-out rooms and your choice of tech.

ESG

ESG is still one of the fastest growing areas in finance as organisations rush to prove their commitment. Once seen as not much more than a box-ticking exercise, firms are now realising the impact ESG has on everyone from consumers to investors, while the roll-out of SFDR has increased the pressure on them to be accountable and report regularly.

As it is an emergent market, candidates are typically incredibly happy to change roles, and many will move from consultancy to in-house. Most are in multiple processes as it is such an in-demand skill set and a relatively small talent pool.

The most desirable candidates will have at least one of the following: an MA in Sustainability, CFA level 4 certificate in ESG investing, a GARP qualification and substantial on the job experience. There is little hiring of new graduates or very junior candidates.

As it's still a relatively new function there isn't really an established going rate for salaries, but the small talent pool means that companies who can afford to pay well will. Those with two to three years' experience are receiving salaries of around £200,000.

The industry looks set to keep growing at a rapid rate, with more businesses outside financial services also looking to take on people in ESG roles.

Risk

After a few years of significant movement within the Risk sector, we've seen this start to stall in 2023, which means we're seeing an acute candidate shortage across the board.

Heads of Risk and those at the senior end of the pay scale are slightly keener to move than those on lower salaries.

Because Risk candidates are always in short supply, they're very much in demand and those that are searching for new roles are usually involved in multiple processes. Even those that are taking a relatively passive approach are usually involved in an average of two processes.

The requirements of employers for Risk professionals depends on which sector they are in.

- Funds – are typically looking for experience within that sector, especially in asset management. Those with three or more years' experience typically want to move into pure investment roles which means there is a real problem finding people at mid to senior level who want to stay in risk management.
- BCM – modelling skills are highly prized. Employers need candidates who can build, rebuild and validate models. This creates a problem as experienced people tend not to want to focus solely on model valuation, they would prefer to work in data science or with a pure risk model role
- FinTech – Candidates need to be able to work autonomously and help to build up a relatively small function.
- Insurance – ORSA and Solvency II are the key experiences insurance firms look at. Small businesses are becoming more lenient on regulatory experience and exposure. If candidates have dealt with similar sectors in banking or equivalent up to manager level, they will be flexible.

Candidates' salary expectations vary depending on the sector, but hybrid working is popular across the board, with three days in the office seen as standard.

In Funds most people are looking for 20% pay rises, BCM, 15% and FinTech an average of 13%.

Counteroffers are rife and excessive. Businesses are aggressively countering to keep talent as they are aware of the talent shortages and do not want to go out to market.

In the coming months, if there is a significant market downturn, we would expect candidate supply to increase as more finance professionals will look to a career in governance, because it's seen as a stable career. In tougher economic times, the world will get stricter, creating more demand for risk professionals as they can help businesses navigate changes.

Compliance

In BCM compliance we are seeing a renewed desire among candidates to search for new roles. There has been lots of significant movement lately and more candidates actively looking, across all levels.

In Funds and insurance compliance the picture is similar. After a steady few years without much movement, increasing numbers of candidates are entering the market. However, these employers are looking for candidates who can prove longevity in their roles and frowning upon the CVs of those who have jumped rapidly from one firm to another.

Tech savvy compliance officers are highly sought after in the market these days. Candidates who make compliance processes more efficient are extremely attractive to employers and can command exceptionally good salaries.

Candidates' expectations on homeworking are not always in line with employers. Many are still looking for three days at home, while firms are increasingly requiring three days in the office.

Salary-wise, there has been a significant increase over the past 12 months. At least 20% in BCM and 10-20% in funds and insurance.

In the coming months we are likely to see a greater focus on monitoring and detection of high-risk activity. There will be greater attention on the high-risk verticals such as corporate banking; including trade finance and capital markets, which will lead to more hiring in this area. FinTech and investment/asset management are other areas to watch.

Legal

Despite a sombre outlook as we entered this year, the market is performing above expectations.

We've seen a slight decrease in the volume of roles since 2022, but that year was an anomaly as firms raced to recover from the pandemic and were hiring above their means.

In the next few months, we expect to see leadership hires becoming more buoyant in the PE-backed and FinTech market, where investors really need to be convinced that businesses are legally water-tight. We could also see many career contractor lawyers looking to go permanent as they prioritise job security in an uncertain market.

Lawyers are inherently risk-averse employees, so we've never seen vast amounts of movement in this market. The pace has stayed steady for the last decade, and we don't expect it to change. If anything, candidates may be becoming slightly pickier with the types of firms they join. Crypto, for example, is a huge turn-off, but this could prove interesting as more regulation is coming to the sector and there will be a greater requirement for lawyers to help implement this.

Regulatory experience is still one of the most in-demand skills for all employers, as are commercial contract skills and levels 1-7 PQE.

It is still a candidates' market, but salary expectations aren't always aligned, especially with those moving from private practice to in-house roles.

Our predictions for the next 12 months are that we're likely to see more first legal hires, more sole General Counsel hires and lots of activity in the hedge fund, crypto, FinTech and technology sectors.

Interim

Demand for contractors soared in 2022 and we saw a surge in the contract rates which interims could obtain. This is in part to compensate candidates for moving from Limited Company structures to PAYE/Umbrella payment structures. Also, where interim candidates were locked into salaries, rather than day rates it's now quite common place for companies to guarantee a bonus at the end of the contract in line with that of permanent employees.

Contractors tend to commit to the life of their contracts and, as there are only a finite number of interim candidates, to an extent you must be lucky with timing or have a longer planning horizon to secure the best talent. Most contracting opportunities involving experienced professionals tend to last 10-12 months and sometimes these arrangements go on for years.

The hiring market in the city isn't quite running at the same tempo as last summer, most of those candidates who are interviewing will have two to three other opportunities on the go at offer stage and it's often whoever moves first, or whichever firm shows the most flexibility that holds the advantage. Running a compressed interview-to-offer process is hugely important to making a successful hire, especially in the interim market.

Candidates are still looking for flexibility in working arrangements, whether this is flexible working hours, or some element of remote working and the degree of flexibility is somewhat dictated by the demands of the job itself but also by the culture of each business. In most cases interim candidates are satisfied with the arrangements but as many people moved away from London during the pandemic, we are seeing candidates demanding fully remote roles and this is not always possible to achieve.

There has certainly been more emphasis on remuneration over the last six months since inflation has begun to bite but a lot of firms are happy to be competitive on this measure with contracts which are short term in nature anyway. We have seen contract day rates rise by up to 20% in some disciplines over the last two years which is making contracting a much more practical option to candidates.

As we enter a period of uncertainty, we see compelling reasons for firms to continue using interims and we've certainly seen many more firms looking to trial candidates out by offering contracts before they make a permanent commitment. This works well for both parties as it gives them a chance to get to know each other and figure out whether the job is a good match before settling down.

SALARY DIRECTORY

INSURANCE	SALARY RANGE	DAY RATE
Newly / Recently Qualified Accountant | Non Big 4	£55,000 - £60,000	£325 - £375
Newly / Recently Qualified Accountant | Big 4	£55,000 - £60,000	£350 - £375
Senior Accountant | 1 - 4 years PQE	£55,000 - £75,000	£350 - £500
Finance Manager / Reporting or FP&A	£65,000 - £85,000	£450 - £600
Financial Controller / Senior Finance Manager	£85,000 - £120,000	£550 - £800
Syndicate Accountant	£45,000 - £70,000	£350 - £550
Syndicate Finance Manager	£70,000 - £90,000	£500 - £750
Syndicate Financial Controller	£85,000 - £125,000	£600 - £900
Head of Finance	£90,000 - £150,000	£800 - £1,200
CFO / Finance Director	£150,000+	£1,000 - £2,000+

FINTECH	SALARY RANGE	DAY RATE
Newly / Recently Qualified ACA	£55,000 - £60,000	£350 - £375
Newly / Recently Qualified ACCA or CIMA	£50,000 - £60,000	£325 - £375
Finance manager | 1 - 3 years PQE	£60,000 - £70,000	£350 - £475
Financial Controller | 3 - 5 years PQE	£70,000 - £80,000	£400 - £550
Head of Finance / Finance Director	£80,000 - £120,000	£550 - £900
CFO	£130,000+	£800 - £1,500+

BANKING & CAPITAL MARKETS	SALARY RANGE	DAY RATE
Financial Controller | 2 - 5 years PQE	£70,000 - £90,000	£400 - £550
Financial Controller | 5 - 10 years PQE	£85,000+	£500 - £700
Financial Accountant | Newly Qualified up to 2 years PQE	£60,000 - £70,000	£350 - £450
Financial Accountant | 2 - 5 years PQE	£65,000 - £80,000	£400 - £550
Financial Accountant | 5 - 10 years PQE	£75,000+	£450 - £650
Finance Business Partner / FP&A | Newly Qualified up to 2 years PQE	£55,000 - £65,000	£350 - £450
Finance Business Partner / FP&A | 2 - 5 years PQE	£65,000 - £80,000	£400 - £600
Finance Business Partner / FP&A | 5 - 10 years PQE	£85,000+	£450 - £750
Management Accountant | Newly Qualified up to 2 years PQE	£52,000 - £60,000	£350 - £425
Management Accountant | 2 - 5 years PQE	£60,000 - £75,000	£400 - £550
Management Accountant | 5 - 10 years PQE	£75,000+	£450 - £750
Product Controller | Newly Qualified up to 2 years PQE	£55,000 - £65,000	£350 - £450
Product Controller | 2 - 10 years PQE	£60,000 - £80,000	£400 - £600
Head of Finance	£90,000 - £120,000	£650 - £1,000
Finance Director	£110,000 - £150,000+	£950 - £1,500
CFO	£150,000 - £200,000+	£1,200 - £2,000+

PRIVATE EQUITY & INVESTMENT MANAGEMENT	SALARY RANGE	DAY RATE
Fund Accountant	£60,000 - £70,000	£400 - £550
Fund Controller / Fund Accounting Manager	£90,000 - £115,000	£500 - £800
Head of Fund Accounting	£120,000 - £150,000	£750 - £950
Newly Qualified Accountant | ACCA / CIMA / ACA /Non Big 4	£55,000 - £60,000	£350 - £375
Newly Qualified Accountant | ACA Big 4	£60,000 - £65,000	£350 - £375
Senior Accountant | 1 - 4 years PQE	£67,500 - £80,000	£400 - £550
Finance Manager / Reporting or Financial Planning & Analysis | 3 - 6 years PQE	£75,000 - £100,000	£400 - £600
Financial Controller	£90,000 - £130,000	£500 - £800
Transactional Support | 5+ years PQE	£90,000 - £120,000	£450 - £750
Head of Finance	£110,000 - £160,000	£700 - £950
Finance Director	£150,000 - £200,000+	£850 - £1,500
CFO	£180,000 - £275,000+	£1,000 - £2,000+

COMPLIANCE	SALARY RANGE	DAY RATE
Compliance Gradate	£22,000 - £31,000	£150 - £180
Compliance Analyst	£32,000 - £39,000	£200 - £275
Junior Compliance Officer	£35,000 - £45,000	£225 - £325
Senior Compliance Analyst	£42,000 - £55,000	£300 - £400
Compliance Officer	£48,000 - £65,000	£350 - £500
Compliance Manager	£55,000 - £85,000	£375 - £600
Senior Compliance Officer	£80,000 - £100,000	£500 - £750
Senior Compliance Manager	£90,000 - £110,000	£700 - £900
UK Head of Compliance	£110,000 - £150,000	£900 - £1,250
EU Head of Compliance	£145,000 - £165,000	£1,200 - £1,500+
Group Head of Compliance	£185,000+	£1,250 - £2,000+

RISK	SALARY RANGE	DAY RATE
Credit Risk Analyst	£35,000 - £55,000	£250 - £400
Market Risk Analyst	£40,000 - £60,000	£325 - £450
Operational Risk Analyst	£32,000 - £50,000	£250 - £400
Quantitative Risk Analyst	£55,000 - £90,000	£350 - £650
Prudential Risk Analyst	£45,000 - £65,000	£300 - £450
Credit Risk Manager	£65,000 - £85,000	£400 - £600
Market Risk Manager	£65,000 - £90,000	£500 - £700
Operational Risk Manager	£60,000 - £80,000	£450 - £650
Quantitative Risk Manager	£90,000 - £125,000	£650 - £1,000
Prudential Risk Manager	£65,000 - £90,000	£450 - £700
VP / Senior Risk Manager	£95,000 - £120,000	£600 - £850
Head of Risk	£110,000 - £150,000	£750 - £1,200
Risk Director	£140,000 - £185,000	£900 - £1,300
Chief Risk Officer	£200,000 - £350,000	£1,200 - £2,000+

PART QUALIFIED & TRANSACTIONAL	SALARY RANGE	DAY RATE
Graduate | up to 12 months' experience	£27,000 - £33,000	£120 - £150
Accounts Assistant | More than 12 months' experience	£32,000 - £36,000	£140 - £180
Accounts Payable / Receivable	£26,000 - £45,000	£180 - £275
Assistant Accountant	£31,000 - £37,000	£180 - £275
Assistant Financial Accountant	£38,000 - £48,000	£250 - £300
Assistant Management Accountant	£38,000 - £48,000	£225 - £300
Finance Analyst	£40,000 - £55,000	£180 - £250
PQ Regulatory Accountant	£45,000 - £55,000	£275 - £400
PQ Fund Accountant	£44,000 - £55,000	£200 - £275
Fund Administrator	£27,000 - £36,000	£175 - £225
Depositary Analyst	£28,000 - £37,000	£150 - £200
Senior Depositary Analyst	£42,000 - £49,000	£200 - £325

LEGAL	SALARY RANGE
Paralegal	£30,000 - £55,000
Corporate / Commercial Legal Counsel (Newly Qualified)	£60,000 - £150,000
Corporate / Commercial, Legal Counsel (1-3 PQE)	£70,000 - £180,000
Corporate / Commercial / Regulatory, Legal Counsel (4-6 PQE)	£90,000 - £220,000
Corpröate / Commercial / Reguatory, Senior Legal Counsel	£110,000 - £250,000
Head of Legal	£120,000 - £300,000
General Counsel	£150,000 - £300,000 +
Assistant Company Secretary	£65,000 - £95,000
Company Secretary	£90,000 - £170,000

REGULATORY	SALARY RANGE	DAY RATE
Regulatory Reporting Accountant	£40,000 - £65,000	£375 - £500
Senior Regulatory Reporting Accountant	£65,000 - £80,000	£450 - £550
Regulatory Reporting Manager	£80,000 - £95,000	£500 - £800
Head of Regulatory Reporting	£110,000+	£650 - £1,200

REAL ESTATE ACCOUNTING	SALARY RANGE	DAY RATE
Fund Accountant	£50,000 - £65,000	£400 - £550
Fund Controller / Fund Accounting Manager	£70,000 - £110,000	£500 - £650
Head of Fund Accounting	£100,000 - £140,000	£700 - £950
Newly Qualified Accountant | ACCA/CIMA/ACA non Big 4	£50,000 - £57,500	£350 - £375
Newly Qualified Accountant | ACA Big 4	£55,000 - £60,000	£350 - £375
Senior Accountant | 1 - 4 years PQE	£55,000 - £75,000	£400 - £500
Finance Manager / Reporting or FP&A | 3 - 6 years PQE	£70,000 - £90,000	£425 - £550
Financial Controller / Senior Finance Manager	£75,000 - £120,000	£500 - £750
Transactional Support | 5+ years PQE	£85,000 - £130,000	£500 - £800
Head of Finance	£100,000 - £145,000	£650 - £950
Finance Director / CFO	£150,000 - £250,000	£900 - £2,000+

MIDDLE OFFICE, INVESTMENT OPERATIONS AND OVERSIGHT	SALARY RANGE
Fund Management / Investment Operations Associate	£40,000 - £55,000
Fund Management / Investment Operations Manager	£50,000 - £65,000
Head of Fund Management / Investment Operations	£70,000 - £95,000
Director of Fund Management / Investment Operations	£120,000 - £170,000
Senior Fund Oversight Analyst	£160,000 - £240,000
Portfolio / Fund Oversight Manager	£55,000 - £75,000
Head of Portfolio / Fund Oversight	£85,000 - £115,000
Global Head of Portfolio / Fund Oversight	£120,000 - £160,000
Head of Oversight & Vendor Management	£150,000 - £220,000
Client Oversight Manager	£140,000 - £180,000
Client Oversight Senior Manager	£50,000 - £80,000
Performance Analysis Lead	£70,000 - £90,000
Operational Oversight Lead	£70,000 - £110,000
Portfolio Analysis Lead	£65,000 - £125,000
Client Onboarding / Transitions Manager	£75,000 - £130,000
Head of Client Onboarding / Transitions	£55,000 - £75,000

ESG	SALARY RANGE
ESG Analyst / Associate	£65,000 - £75,000
ESG Senior Analyst / Associate	£70,000 - £85,000
ESG Manager / AVP	£85,000 - £110,000
ESG Senior Manager / VP	£120,000 - £140,000
Head of ESG	£150,000 - £200,000
Director of ESG	£180,000 - £250,000

BREAKING THE GLASS CEILING: WOMEN IN LEADERSHIP

In this article we sit down with Emma Brett, Managing Director of Cafento International to discuss women in leadership and what advice she has for women wanting to break into the boardroom.

Why is it that it is still so much harder for women to land the top jobs than it is for men, despite all that we now know about the glass ceiling effect?

The answer is two-fold. Firstly, the C-Suite has been historically a male experience and businesses led from a male perspective, thus perpetuating the old boys club stereotype. And the prospect of being the only female on a board of male directors can be unattractive. I know women who have been hired into very senior positions just to make up the diversity quota. In one case, a person in this situation, felt that no matter what she said, people did not listen to her. So, women can arrive in this position, but it might not mean they make an impact due to existing mentalities.

Secondly, working hours can become a genuine issue for women at the senior level. Women tend to be the dominant force in the home, taking responsibility for their families. Working 16–17-hour days and 80-hour weeks was the widespread practice at the top end of businesses for years. Few women were prepared to do this, especially with what we know about work/life balance, and why should they? But in the past five years, companies are starting to place an increased emphasis on work/life balance, and these types of schedules are declining. This increased emphasis on the division of work and leisure time undoubtedly helps women go further in their careers. But the lack of women in the board room is a multi-faceted issue and we are only scratching the surface.

What happens in the C-Suite after women break the glass ceiling?

Having women in the C-Suite builds a positive experience for women throughout the business. Women in the board room can act as a voice for women throughout the company. Whether this be ensuring employee benefits packages have family friendly incentives or ensuing women receive opportunities to build their careers.

Furthermore, an increased number of women in senior roles provides mentorship for other women in business. Building a gender diverse team is not only about ensuring operational success, but also about developing the female leaders of tomorrow. There is a lot to be said for the role of mentoring in many women's careers. Effective mentoring relationships help junior employees develop leadership skills, increase self-confidence, improve emotional intelligence, and navigate career advancement.

There is also a lot to be said for the empathy women leaders bring to businesses. Women are more understanding of the unique obstacles facing other women in the business and they can effectively help break the system down from the top.

The biggest barriers for women getting into the board room

I am fortunate and proud to work for a family-run company with two female CEOs. But if I was going back to my days working in a multinational company, women were respected for their knowledge and contributions to the business. Everyone sees things in the lenses of their different lived experiences, and this was valued and there is universal value in that.

What is the future for corporate diversity and inclusion?

It is heading in the right direction. In terms of gender-based diversity and inclusion, women in the board room are becoming the norm. And it is no longer a taboo subject.

Short to medium term, companies will develop more policies and initiatives to attract and retain diverse employees. Businesses are committed to EDI, not only because it is the right thing to do, but also because it is better for business. Reasearch has shown that businesses with diverse leadership teams are more profitable and have better rates of employee engagement.

Long-term, in the next ten years or so, we will be closer to the 50/50 split in terms of gender, the C-suite will also be more balanced and inclusive of people from different ethnicities and races.

What advice would you give to women wanting to advance in their career?

Go for it, do not hold back!

Do not stop because you think you will be frowned upon. I have always been transparent throughout my career, and I was never held back at any level. It is important to listen to people and take on board their learnings. Let these people guide you through your career.

Good managers should act as a mentor, whether this is formal or informal.
I am a firm believer that if you have the right management and mentors in your career, they will make a massive difference to your career trajectory.

Another piece of advice I would offer women in their careers is to experience as much as possible. I found real value in going to new geographies and businesses as there is always something new to learn and experience.

cafento

ABOUT CAFENTO

Cafento is a family business resulting from the integration of a large group of companies with decades of experience in the coffee sector. A global company with a local focus, based on being close to the customer through each of our brands with a local tradition. This, together with a strong infrastructure, positions us as one of the major European companies in the coffee industry.

THE IRISH ECONOMY: LABOUR MATTERS

LORETTA O'SULLIVAN - CHIEF ECONOMIST, EY IRELAND

'Keep calm and carry on' has long been the mantra of the UK in times of crisis. While Ireland lacks a slogan as iconic as this, recent shocks have been met with considerable 'mettle'. In the face of a global pandemic and war in Ukraine, the economy has proven remarkably resilient, especially the labour market which is an important confidence factor for consumer spending.

The level of employment is now at a record high, and the unemployment rate is around historic lows, meaning current labour market conditions are what economists refer to as 'tight'.

STRONG DEMAND FOR RESOURCES

For employers, this makes for reduced choice and greater difficulty in filling vacancies. Research carried out by EY among Irish CFOs earlier this year gives a sense of the constraints in this respect - some 44% identified talent shortages and talent retention as a key challenge to achieving their growth ambitions in the next five years.

For employees, it brings more opportunities and greater bargaining power. We tend to associate the latter with increased leverage in pay negotiations, but negotiations cover working hours and conditions too. For many people, the pandemic experience prompted a reassessment of their priorities and a recalibration of their work-life balance, the broader implication being a desire for less rigidity and more flexibility in the how, when, and where of work.

For the economy, tightness in the labour market gives rise to risks. With available resources rapidly being used up and some compensation for recent consumer price inflation on the cards, solid wage gains are expected over the coming year or so. However, if wage growth were to become detached from productivity growth in the medium term, Ireland would lose competitiveness on the world market, with consequences for trade and investment activity.

The outlook for the Irish economy is continued expansion and job creation in the near term though, even as global uncertainty in the tech among other sectors and more restrictive monetary policy generate headwinds. The question then is how future demand for labour can be met?

ACTIONS TO BOLSTER SUPPLY

Measures to boost the labour force are going to be key. Population increases and inward migration will continue to have a role to play. There is also scope to raise the participation rate, among some groups in particular, albeit this is more limited than before.

In contrast to the situation in the UK, the aggregate participation rate in Ireland stands above its pre-pandemic reading. This owes much to higher female participation which, in turn, owes in no small part to the rise in remote and hybrid working arrangements that has taken place in the last few years.

Another potential source of labour is those who want to work but are not seeking or available for work. This may be because they are in education or training, are ill or have a disability, or are carrying out caring duties. For the most vulnerable, whose attachment to the labour market is weak and whose needs are complex, active labour market policies along with other services may be required to support their inclusion in the workforce.

WHAT CAN ORGANISATIONS DO?

Attracting and retaining workers when labour market conditions are tight, as is the case in many countries at present, is no mean feat. Approaches will differ depending on organisations' preferences and business needs, but a few points for the general consideration of employers include:

- Offering flexibility – giving people a say in how, when and where they work will help,
- Upskilling and investing in talent – of the Irish CFOs surveyed by EY, 40% said they are prioritising the upskilling of existing talent in the coming year, while 34% are investing in new talent,
- Thinking outside the box - look to harness untapped labour potential by increasing support for diversity and inclusion policies.

In summary, the shocks of recent years have had a big impact on our economies and the world of work. And while the Irish labour market has undoubtedly shown its mettle in response, adjustment is still ongoing. Some of the changes to date may prove transitory, whereas those that yield tangible benefits for employers and employees are likely to persist, with longer lasting implications.

ABOUT EY IRELAND

EY Ireland, a leading global professional services organisation providing assurance, tax, audit, strategy and transactions and consulting services.

EY is a globally connected, multidisciplinary professional services organization driven by our purpose: building a better working world – for our clients, our people and communities. We ask the better questions that unlock new approaches to the working world's toughest challenges.

How EY is building a better working world

Our enduring impact is not confined to the clients we work with through our integrated service lines – Assurance, Consulting, Tax and Strategy and Transactions. We also build a better working world for all stakeholders through publication of our insights, research and opinions on the issues that matter most to businesses, entrepreneurs, investors, governments and regulators. By doing so we can help seize the opportunities that change provides to create better businesses and drive more inclusive economic growth.

A CORONATION OF A DIFFERENT KIND: HOW THE UK CAN RETAIN ITS CROWN AS A GLOBAL FINTECH SUPERPOWER

AUTHOR: ALEX MARSH, HEAD OF KLARNA UK

After 15 years working in the UK Financial Services sector - from relationship based British merchant banking group Close Brothers to technology driven Swedish payments disruptor Klarna - I've seen firsthand how the UK has evolved to firmly establish itself as a global FinTech superpower - securing a 10% global market share and 8 out of 10 of us using at least one FinTech tool on a regular basis. With a thriving ecosystem that includes established financial institutions, innovative startups, and supportive government policies - the UK has become an established hub for creativity and innovation, attracting both domestic and international talent and investment.

But 2023 has the potential to represent an important inflexion point - as we crown our new King in the midst of a cost of living crisis, we cannot be complacent when it comes to the FinTech sector with many other contenders seeking to grasp our FinTech crown.

As goliaths like the United States and China or more surprising innovators like Singapore, India and Brazil, rapidly catching up (and in some cases accelerating ahead), we need to take action now to ensure that the UK remains at the forefront of the industry and delivers better value to our consumers.

INVESTMENT AND RISK APPETITE

The subject of investment and risk appetite regularly comes up as a barrier for scaling the UK FinTech sector - characterised as our natural British preference for steady profitable growth as opposed to conscious investment (and the associated upfront losses) for hypergrowth. A positive step here is the Government's drive to unlock DC pension fund investment, but for this work it must go hand in hand with more funding for the all important scale-up phase where too often our best start-ups-ups are lost to foreign shores for that next growth phase. Shifting our mentality to be less afraid to take risks and experiment with new ideas will be critical to maintaining the UK's competitive edge and attracting the best talent and companies from around the world.

REGULATORY CHANGE

In addition, the UK is also taking steps to create a more forward looking regulatory environment that fosters innovation while protecting consumers. Whether it's the secondary objective for the PRA and FCA to advance the international competitiveness of the UK economy, the transition towards more principle based regulation through the FCA's Consumer Duty, or the introduction of sandbox and scalebox support - the direction of travel is positive. Key now is to accelerate the pace of delivery so our regulatory frameworks can evolve to accommodate new technologies and business models. From personal experience, regulation of the Buy Now Pay Later sector over the past 3 years has been a microcosm of some of the opportunities and challenges we face - a possible stepping to more proportionate regulation rather than simply applying long outdated prescriptive consumer credit rules dating back to the 1970s...

TALENT AND DIVERSITY

Alongside these, the bedrock of any thriving tech industry is the talent pool. The UK's FinTech sector has benefited greatly from the availability of skilled professionals - of many different nationalities - who have made the UK home and driven innovations that ensure this country remains at the forefront of the industry. To ensure a steady stream of skilled professionals entering the FinTech sector, the UK government, employers and educational institutions must collaborate on creating tailored courses and programs that address the specific needs of the industry. This includes investing in university-level courses, apprenticeships, vocational training programs, internships and placements.

Importantly we will also need to be much more creative in accessing the untapped skills available up and down the country. At the heart of achieving this is addressing the diversity and equality imbalance which has plagued UK Financial Services and has unfortunately transferred to FinTech. A stark fact from recent EY research is that women currently only hold around 10% of FinTech board seats. And this is just one lens - the potential is huge if we can move the needle on representation across all forms of diversity - be that racial, ethnic, LGBTQIA+, generational, socioeconomic and neurodiversity.

EMERGING TECHNOLOGIES

But addressing investment, regulation and skills will not be enough. We need to go further, embracing the emerging technologies that are so rapidly becoming mainstream such as AI and machine learning, blockchain, open finance and smart data. A day doesn't pass right now without discussion of the transformative effect of generative AI capabilities - with neverending use cases to accelerate product development, improve customer service or significantly increase operational efficiency - or much to my relief at the end of a busy day produce a personalised bedtime story for my son Henry within a matter of seconds!

As finance professionals, it is critical for the future success of the UK that we are not daunted by the reality that both our jobs and the careers of future generations will change beyond recognition as these new technologies become embedded into our everyday lives. To learn the lessons from the Luddites who destroyed machines in textile factories back in the early 1800s, our role now is to stay relevant by leveraging the complementary strengths of humans and AI - as ChatGPT says itself *'AI is better suited for tasks that are repetitive, data-driven, or require precision, while humans excel in creative, empathetic, adaptive, and complex problem-solving roles. Ultimately, the best approach may be to harness the strengths of AI and humans through collaboration, creating a more efficient and effective workforce'*.

And it's very apt to finish on this subject of problem solving and collaboration. With the fanfare of King Charles coronation in 2023, all the eyes of the world will once again turn to our group of small islands on the edge of Europe. From this footing with a relatively modest population of around 65 million (less than 1% of the global population), for many the UK is considered to be punching well above its weight when it comes to Financial Services and FinTech - a possible pretender to the throne. What has made us special and succeed has always been our willingness to collaborate to solve the bigger problems. In the face of rising global polarisation, geopolitical unrest and economic volatility, fostering collaboration and courageous leadership will undoubtedly continue to be our superpower and the key to retaining our crown as a global FinTech leader.

Klarna.

ABOUT KLARNA

Klarna was founded in 2005 in Stockholm, Sweden with the aim of making it easier for people to shop online. In the last 18 years, technology has evolved, excited and transformed the world around us, yet our mission remains as relevant as ever, to make paying as simple, safe and above all, smoooth as possible.

Klarna is the leading global payments and shopping service, providing smarter and more flexible shopping and purchase experiences to 150 million active consumers across more than 500,000 merchants in 45 countries. Klarna offers direct payments, pay after delivery options and instalment plans in a smooth one-click purchase experience that lets consumers pay when and how they prefer to.

When the company acquired SOFORT in 2014 the Klarna Group was formed. Klarna is backed by investors such as Sequoia Capital, Silver Lake, Bestseller Group, Dragoneer, Permira, Visa, Ant Group and Atomico.

INSPIRING FINANCE PROFESSIONALS TO BE A FORCE FOR GOOD

Six months into the partnership between Marks Sattin and Charterpath, we are already seeing the benefits – growing a diverse community of 1,500+ professionals across social media channels and over 300 accountants who have signed the Charterpath pledge - equivalent of 600 days volunteered and creating over £250k value for non-profits. It cannot come quick enough - with the non-profit sector in crisis, the need for volunteers has never been greater.

You don't need to look too far to see another depressing headline about the state of the world right now. Whether it's the war in Ukraine, impacts from extreme climate disruption or the cost-of-living crisis.

The good news is that In the non-profit sector there are hundreds of thousands of charities, schools and community groups working hard to try and find solutions to these (and many other) issues and support the millions of people affected by them. But it's seriously tough out there - the sector was only just starting to recover from the impact of the pandemic and is now being hit hard by the cost of living crisis. More people are turning to charities for support so demand for services is up, yet public donations and grants are falling and inflation is increasing operational costs - an almost impossible balancing act.

Charities are doing what they always do - rolling up their sleeves and doing their best - but they are desperately in need of more people to support them. There are estimated to be over 90,000 trustee vacancies across the UK right now.

The most recent Community Life Survey by the Department for Culture, Media and Sport reinforces the challenge in recruiting volunteers with:

- Formal volunteering* at least once a month down to 16% in 2021/22 from 27% in 2013/14
- Formal volunteering at least once a year down to 27% in 2021/22 from 45% in 2013/14
- 25-34 age group showed lower participation in formal volunteering at least once a month compared to every other age group at 10% in 2021/22 (a worrying sign for where this trend could head).

The most common barriers for formal volunteering are unsurprisingly related to available time with 49% citing 'work commitments' and 31% 'do other things in their spare time'. Whilst these are genuine obstacles to volunteering - at Charterpath we believe that they can be overcome if accountants and finance professionals are more aware of the benefits for them as volunteers - growing their networks, developing new skills and improving their well-being.

Employers too can do more to support their employees in facilitating and promoting volunteering opportunities - for example giving their team members an allowance of time to volunteer - with many studies showing that volunteer programs boost productivity, increase employee engagement, and improve hiring and retention - a true win-win!

Recent research from the Department for Education confirms that financial skills are the most in-demand skill set among governing boards. Whilst there are over 350,000 accountants in the UK, non-profits struggle to recruit volunteers with financial skills. Unfortunately this is not surprising as it is estimated only 10% of accountants currently volunteer their skills to non-profits each year.

*Formal volunteering refers to those who have given unpaid help to groups or clubs, for example, leading a group, administrative support, mutual aid groups or befriending or mentoring people.

At Charterpath we are on a mission to increase this to 50% and have developed three targeted ways to chart a path between accountants and non-profits:

1. Inspire more accountants to volunteer their skills to non-profits
2. Connect non-profits more easily with volunteer accountants
3. Engage with other organisations so volunteering becomes a core part of an accountant's career

We are very grateful for the support that the team at Marks Sattin has given Charterpath - providing a much bigger platform to promote our mission and the great news is it's working, with 100% growth in volunteers since the partnership launch. Pleasingly, these volunteers also represent the diversity which non-profits are seeking with 45% female, 38% non-white and over a third are under 35 years old. We have now promoted opportunities for over 80 non-profits of all sizes ranging from the Together coalition founded by the Archbishop of Canterbury, to The Trussell Trust, Scouts and Manchester Deaf Centre.

INSPIRED TO SUPPORT OUR MISSION?

1. Follow Charterpath on LinkedIn for all the latest news, inspiration, and roles
2. Check-out our website at www.charterpath.org.uk for case studies, helpful resources, and live volunteer opportunities
3. Sign the Charterpath pledge to volunteer your skills for 2 days each year

Do you lead a Finance team - ask Charterpath to join a team meeting (virtual or in person) and present directly on the benefits of volunteering and how to get involved.

With your support, we can achieve our ambitious goal of increasing the number of accountants who volunteer their skills to non-profits and bring lasting positive change to communities across the UK.

Charterpath
Charting a path between accountants and non-profits

Charterpath was co-founded by Alice Clementi and Alex Marsh, both chartered accountants with extensive volunteering and fundraising experience alongside their professional careers. After training together at PricewaterhouseCoopers, Alice and Alex continued their careers at Close Brothers, working across many business areas and disciplines. Alex now leads Klarna UK, alongside a role as a school governor and is on the advisory board of the 93% Club to promote social mobility. Alice is a freelance Risk & Compliance Consultant, a trustee for Operation Reach, a charity supporting young people, and a school governor... as well as being a new mum. Alex and Alice were inspired to launch Charterpath following the pandemic and seeing the impact it had on the non-profit sector. They were also aware of the benefits which volunteering can bring to the individual in helping them to find more fulfilling roles.

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ARE YOU CARELESS WITH YOUR PEOPLE'S CAREERS?

As the first quarter of 2023 comes to an end, the economic backdrop hasn't turned out to be quite as grim as potentially envisaged, with the threat of a UK wide recession gradually receding. That said we're certainly not in growth territory either – so a relatively 'flat' year beckons for many with the inflation-driven cost of living, higher borrowing costs and nervousness in the markets all contributing in their own specific ways.

Given this uncertainty, now is the time to 'double-down' and ensure that our teams are clear about objectives, performing at their optimum and focussed on addressing this 'bump in the road' in readiness for better times ahead. To navigate this aspect of the economic cycle, employers need committed, motivated and engaged people. That sounds like good, practical management focus and should be straightforward – right? Well, partially. Despite that old adage that 'our people are our greatest asset' - far too many businesses are still 'careless' with regard to managing their people: resulting in low engagement, high employee turnover and an organisation that never quite achieves its potential.

Looking at the key HR trends cited by those moving on from organisations some familiar themes emerge. Foremost amongst them:

LEADERSHIP – Many leaders continue to struggle with certain aspects of their roles, impeding both their own successes and the success of their team and organisation. Individuals are promoted – often as a result of success in their previous - non-management role - and find themselves thrust into an entirely different theatre with unfamiliar challenges. Too few are supported through this change and end up learning on the job. For some that works well, for others... not so much. Equally, some leaders continue to be reluctant to embrace change. This can lead to maintenance of a culture or leadership structure that is no longer 'fit for purpose' (see the Casey Report around the Metropolitan Police), resulting in a disconnect from both employees and the markets or customers they are wishing to serve.

And too few take time to genuinely understand their personal impact upon close-colleagues and the broader employee base, demonstrating either a lack of self-awareness or a psychopathic drive to achieve and damn the consequences... both will cause leaders to come unstuck pretty quickly and an early sign of this malaise will be a steady ebb of people away from the organisation.

LACK OF CAREER OPPORTUNITY – With over 1.1m vacancies in the market it's still very much a buyers-market, with organisations regularly reporting that certain skills remain in high demand. Engagement surveys frequently show that employees want development – and typically those at the early stages of their career are often hungriest. Lack of career development is often cited as one of the top 3 reasons an individual leaves an organisation. Deferring development opportunity, maintaining the status-quo and failing to engage with individuals at a personal level to understand exactly what they are after from their role (and indeed their longer-term career) is likely to end badly.

EQUALITY, DIVERSITY AND INCLUSIVITY awareness is a positive step to ensuring our workplaces both reflect our society and tap-in to as broad a range of talent as possible. That said, many ED&I interventions are superficial at best – attend a workshop here, confirm you've read a policy there and so on – useful to an extent, however unless this awareness is genuinely translated into the workplace - and the organisational culture mirrors the aspiration - then those who may have experienced marginalisation may continue to do so. Unsurprisingly, they'll vote with their feet.

FLEXIBILITY, WORKLOAD & WORK-LIFE BALANCE has never been more important to people. A hangover from Covid, the majority of employees' expectations now include an element of flexibility – whether that be 2-3 days working from home, flexible-work patterns or part-time working. It's a difficult one to get right as 'bringing people together' promotes learning and connection, helps more junior staff to understand what is needed in the workplace and reinforces the organisation vision, mission and culture – important if people are all to be pulling in the same direction. Many employers are still searching for the optimum balance here and it's likely to be some time before we find a solution that entirely fixes the issue.

In almost all cases the points outlined above can be addressed through open discussion and engagement with the workforce – helping people navigate a workplace that is changing faster now than ever before. Ranging from employee feedback sessions, genuine follow-through in respect of implementation of policies, line-manager development, a focus on individual career aspiration and dedicated one-one-one coaching, there are many ways in which solutions can be affected. The best companies embed these – and other interventions - into the core of their being; for others, those who are genuinely 'careless' with regard to their employee management, its inevitable that people will drift away, enticed by a more personalised, productive and inclusive environment elsewhere. Don't be careless with your employees -they are your future.

THE FUTURE WORLD OF WORK

INTOO have released their latest report which focuses on employee attitudes to the "future of work." The newly released report draws upon their previous research, first delivered in 2017, and assesses how attitudes towards the future of work and employment have changed during the past five years.

Ongoing technological advances, an increasing demand for 'flexible working' bought about by the Covid pandemic, a changed political landscape, a worker shortage and an increased focus on inclusivity and diversity have all impacted, and continue to impact, upon our relationship with work. Our 2017 survey results revealed most of these factors however all now have far more prominence than five years ago.

Yet the need for talent with the right skills has always remained.

Equally, against an ever-increasing pace of change, shifting social values, a lack of available talent and a potential significant economic downturn, growing demands will be placed upon an organisation's ability to quickly evaluate what these changes mean for both their people and their business and prepare accordingly. INTOO has commissioned this independent survey to assess the preparedness among UK organisations for the future world of work. Its aim is to analyse the impact of this recent technology on businesses and their people. To help identify the measures that should be taken to embrace the opportunities presented, and overcome the challenges faced.

Download here your free copy of our report to gain access to industry-leading insight into the 'Future World of Work' and what it means for your organisation.

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