

HALF YEAR MARKET UPDATE



“COMPETITION FOR QUALITY CANDIDATES IS HIGH. COMPANIES SHOULD INVEST IN THEIR EMPLOYER BRAND AND CREATING A POINT OF DIFFERENCE TO ATTRACT TOP TALENT. THOSE THAT HAVE A MORE FLEXIBLE APPROACH TO RECRUITMENT – LOOKING AT CANDIDATES OUTSIDE OF THE JOB DESCRIPTION – WILL DO THEMSELVES A FAVOUR IN THE LONG-RUN.”

Liz McKeever

Associate Director
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OVERVIEW

The Investment Banking Operations market has remained resilient in the first half of 2020. Traditionally the busiest months of the year are March and April in line with annual bonus payments, and recruitment volumes increase steadily through January and February; 2020 was no exception. Acute areas of volume including, regulatory reporting, settlements and bank loan operations. In late March as we moved into lockdown as a response to covid-19, we initially observed steep decline in role volume. Many large bulge bracket banks implemented hiring pauses, and processes were put on hold.

Gradually as organisations made changes to implement remote interview and onboarding processes, recruitment in the Operations space opened up again – particularly in mid-cap investment banks. The market volatility during the early stages of the pandemic created business critical roles in operational support positions – settlements, collateral and middle office. The temporary market since the start of the year has been slower, in line with changes around IR35. Despite this regulation not being implemented in 2021, the impact has still been felt and it is only now in early July we have seen temporary roles coming back to market.

Through April and May hiring volumes improved, with processes opening back up and fresh roles coming to market. Unsurprisingly, new challenges were faced with candidate pools; operations professionals sought reassurance on future role security in order to move during these unprecedented times. More involved conversations with future hiring managers around training and onboarding have proved very successful in securing the best talent. Through June we observed the traditional “summer slowdown” as firms look to keep in line with their H1 budgets.

HIRING TRENDS

The key hiring areas within Investment Banking Operations are regulatory reporting, loans, OTC middle office, settlements and data positions.

Through H1, we have regularly been mandated to search for professionals with MiFID experience, as well as some CSDR or SFTR, across all levels for both temporary and permanent vacancies.

The planned roll out of CSDR in 2021 and increased market volatility has led to a number of roles within settlements, typically within fixed income. This has been interesting since many back-office operations roles have been offshored, and the requirement has been for experienced profiles. This recruitment has involved building out a new pool of talent who in recent years have seen few roles relevant for them.

Middle office positions have had a focus on individuals with OTC products experience, particularly in equity derivatives. Data has become a prominent hiring trend with investment banks looking to recruit either professionals with strong SQL and VBA knowledge at the more junior end, or those with reference data knowledge on the more senior side. This is driven by investment banks looking to have processes within operations as automated as possible.

RECRUITMENT DURING THE PANDEMIC

The global spread of Covid19 lead to a drop in confidence across the market and reduction in economic optimism. Although the pandemic has caused projects to be put on hold, most mid-cap to large investment banks are still committed to hiring; albeit in crucial positions or existing roles pre Covid19. With a focus on health and safety for all candidates and hiring leaders, new measures have been put in place, via remote operations, to allow interviews to take place as well as virtual onboarding to bring in new starters. Whilst many institutions are still working from home, recruitment, although slowed down at the moment, could turn into a busy second half of the year.

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OUTLOOK FOR H2

We are optimistic in H2 that recruitment levels will increase as firms will have fully adjusted to working from home and companies will be getting ready to be back in the office in some capacity. **The key message if you are looking to expand or upskill your team is to hire now;** get new starters in before September. Despite the unprecedented times, we expect there will be the usual rush to recruit in September, leading to increased competition to hire talented operations professionals.

If you recruit now you will be able to secure the best workforce possible, without the challenges of multiple offers and a reduced candidate pool. During the latter stages of H1, mid-cap investment banks have been hiring almost as normal and so have had smooth interview and offer processes, benefiting from the quiet market. Firms who have structured, well thought out onboarding processes are also able to stand out in the current market. Those firms who encourage team virtual meeting sessions, recognise people are joining at an unusual time and who roll out tailored training for new staff will ensure they develop a productive, loyal workforce who are well integrated, despite not being in the office.

KEY POINTS

- Mid-cap Investment banks recruit Operations positions as normal through the pandemic
- Areas of volume including loan operations, OTC middle office and settlements
- Beat the rush; recruit now

To discuss your recruitment requirements, please contact:



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RECRUITMENT TRENDS

62%

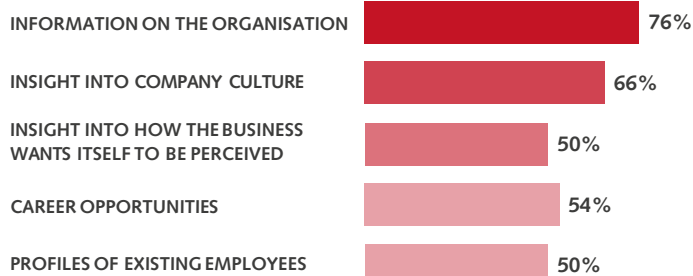
Of professionals believe mental health 'first aiders' are important.

38%

Only 38% of employers have such a policy in place.

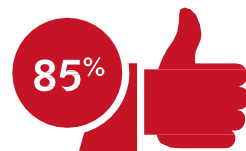
USING SOCIAL MEDIA FOR RECRUITMENT PURPOSES

Reasons for checking corporate social media profiles when applying for a job

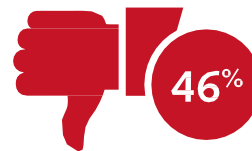


DIVERSITY

Do businesses believe diversity is important?



85% of employers say that increasing diversity in their workforce is a priority



Yet almost half of employers do not have programmes in place to attract diverse candidates