



# 2022 Barclay Simpson Salary & Recruitment Trends Guide

## Risk Management



# Contents

<b>Factors impacting hiring in Risk</b>	03
<b>Permanent recruitment trends</b>	05
<b>Contract recruitment trends</b>	07
<b>Salary and bonus trends</b>	09
<b>Salaries for Risk</b>	10
<b>About Barclay Simpson Risk Services</b>	15



## Key factors affecting risk management recruitment

In addition to broader national employment trends in the UK, risk management hiring is also being affected by various political, economic and social factors that are specific to the profession.

### **New regulations**

Changes to the regulatory environment are a common driver of risk management recruitment, and the last 12 months have been no exception.

Within prudential risk, for example, businesses affected by the Investment Firms Prudential Regime (IFPR) have

needed help with their transition from the Internal Capital Adequacy Assessment Process (ICAAP) to the new Internal Capital and Risk Assessment (ICARA).

Last year, the PRA also published updated expectations for outsourcing and third-party risk management in order to strengthen firms' operational resilience. The deadline for implementing these changes is March 31st, 2022.

Furthermore, the FCA is continuing consultations on a new consumer duty, which would require regulated firms to provide better financial market

protection for retail customers. The regulator plans to enforce these changes by April next year.

### **Brexit**

Prior to Brexit, many UK-based risk professionals were originally from continental Europe. Now, EU candidates must apply for a Skilled Worker Visa and possess a certificate of sponsorship from an approved employer before being able to settle in the UK.

And while only 16% of employers in our survey highlighted Brexit as a major barrier to sourcing the right talent,

a further 14% noted that candidate location is a challenge, indicating broader issues with availability.

Other visa schemes are available, such as the Global Talent visa, which allows experts in fintech, artificial intelligence or cyber security to stay in the country for up to five years. Indian nationals can also move to the UK for up to two years on the Young Professionals scheme.

Nevertheless, these are lengthier, more complicated processes than sourcing European candidates prior to Brexit.

## Diversity and inclusion

In July 2021, the PRA, the FCA and the Bank of England published a discussion paper into diversity and inclusion across financial services.

Within the document, the organisations outline their goal of overseeing better diversity throughout the industry, which research suggests will help to reduce groupthink, while improving governance and risk management.

As such, we expect to see greater focus on diversity and inclusion as the year progresses. According to our research, only 61% of employers believe their organisation's HR processes are effective at ensuring equality of progression for people with protected characteristics, such as gender, ethnicity or disability.

However, these issues remain important with the employers we speak to, with more than three-quarters believing they have a positive culture of diversity, equality and inclusion.

## Risk leaders believe the following would best support their organisation's DE&I efforts



Increase representation in managerial leadership.



Build an inclusive company culture.



Act on employee feedback.



Pay attention to pay equity.



Increase representation on the Board.

Source: Barclay Simpson Salary Survey Data



## Permanent recruitment trends

The permanent recruitment market is extremely active, with significant numbers of vacancies and a shortage of talent creating upward pressure on salaries. These patterns have emerged across all risk management disciplines.

Our research shows an overwhelming 95% of employers are struggling to hire candidates, with 37% of these saying hiring is 'very challenging'. Compensation issues are the primary cause of difficulty for hiring managers (63%), but many also pointed to a lack of technical or regulatory knowledge among applicants (58%).

"Risk recruitment is really busy. It's been ramping up probably for the last two to three years to the highest point that we've perhaps seen in 10 to 12 years," says Josh Lawson, Associate Director of UK Risk & Treasury at Barclay Simpson.

Against this backdrop, it is perhaps unsurprising that candidate confidence is high. More than nine in 10 risk professionals say they are confident about current job market conditions, according to our survey data.

When asked to rank their reasons for seeking a new role, more than half of risk professionals (52%) chose remuneration as their primary motivator. Career development (25%) and work-life balance (15%) were second and third, respectively.

Greater flexibility over remuneration may therefore be required from employers in such a candidate-driven market. Our consultants are already reporting that organisations are showing more willingness to go beyond their budgets to secure the skilled talent they need.

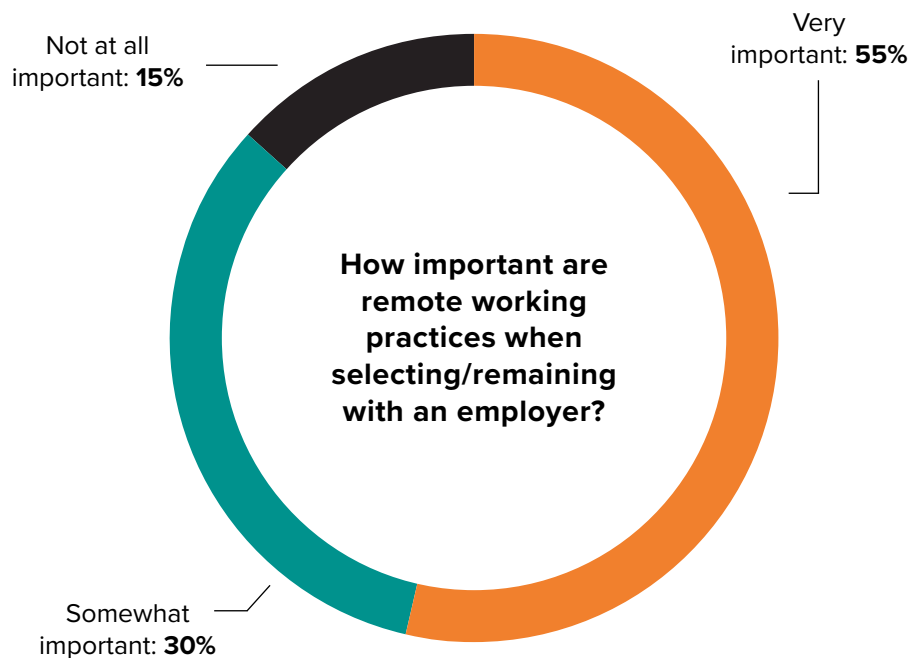
Remote working may also become a point of contention. Nearly nine in 10 candidates say

flexible working is an important factor when deciding whether to stay within their current role or move to a new one.

Despite this, only 70% of employers of risk professionals appear to be providing these benefits, with 57% saying they are not at all concerned about how their approach to remote working could affect their ability to attract, recruit or retain talent.

Nevertheless, we have seen resignations occur at organisations where staff were required to return full-time to the office following the easing of pandemic restrictions.

**95% of employers find it challenging to find skilled talent today**



Source: Barclay Simpson Salary Survey Data

### Top 5 reasons for seeking a new role



Source: Barclay Simpson Salary Survey Data



## Contract recruitment trends

Interim staff continue to be an invaluable on-demand resource, with more than half of employers (53%) hiring contract and temporary workers.

**Among the employers we polled, the top reasons for using contractors were:**

- ▶ Specific projects (39%)
- ▶ Absence cover (14%)
- ▶ Support BAU processes due to increased workloads (13%)
- ▶ Keep permanent headcounts low (11%)

M&A activity and other change management projects have been particularly prevalent over the last 12 months, driving a significant proportion of interim hiring for specific projects.

Regulatory changes have also spurred interim hiring in recent months, including the transition from ICAAP to ICARA.

“ICARA is a continuation of ICAAP, so they’re similar but have key differences. Firms are therefore keen to have skilled consultants check their previous ICAAP document and ensure the new ICARA document is ready for the regulator,” says Chloe Bailey, Principal Consultant of Interim Risk at Barclay Simpson.

### Changes to IR35

The implementation of IR35 regulations, which came into force in April 2021 following a one-year delay, is also having an effect on the interim risk recruitment market.

While the impact has perhaps not been as large as expected – only 16% of employers say they have missed out on a desired contractor because of IR35 changes – organisations have made changes to their hiring practices.

Many businesses (40%) initially took the approach of deeming all interim staff as ‘inside IR35’, although a sizable minority (32%) determined contractors’ status on a case-by-case basis.

To avoid IR35 issues, employers often seek interim staff on fixed-term contracts (FTCs). However, these arrangements are generally unpopular with candidates, as they typically lack long-term job security or a pay premium.

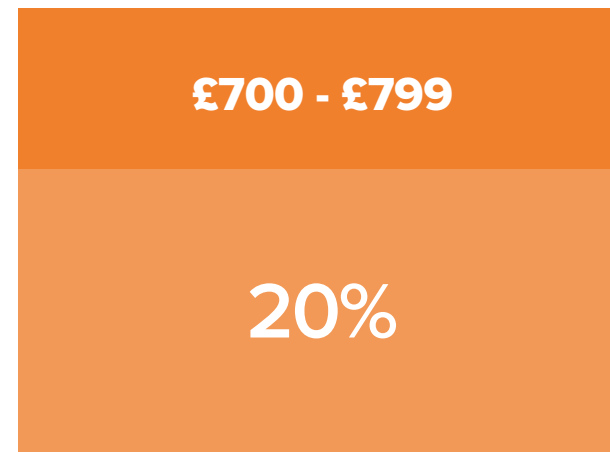
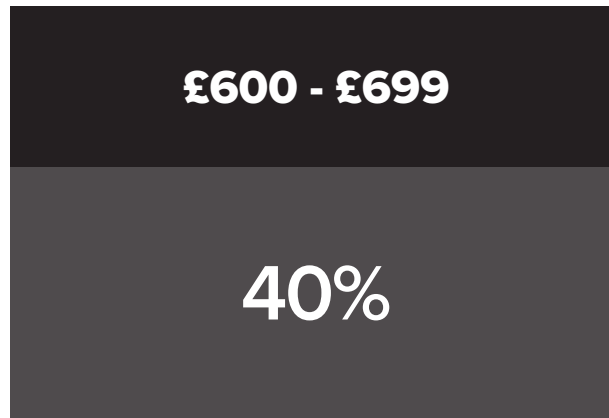
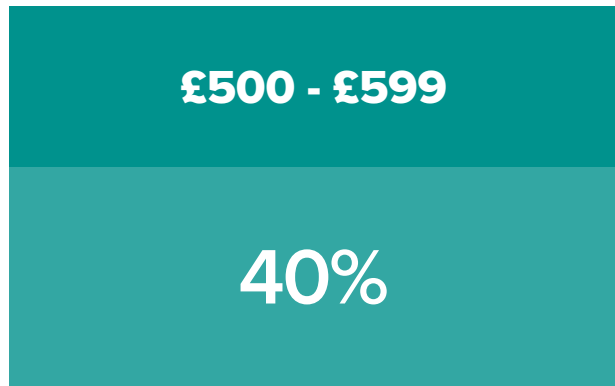
As labour market competitiveness has increased, fewer contractors are therefore willing to accept FTCs. Employers unable to source the skills they need are now beginning to hire more frequently on a day-rate basis again, as well as cover employment costs such as national insurance and other payroll charges.

**3 in 5 risk contractors have increased their rates for ‘inside’ roles and 2 in 5 have been forced to look for permanent positions.**

Source: Barclay Simpson Salary Survey Data



What is your current daily rate?



Source: Barclay Simpson Salary Survey Data





## Salary and bonus trends

Competition is fierce within the risk recruitment market. Skilled candidates often have a number of options and can shop around for the highest bidder, which – increasingly – may be their existing firm.

**"A big challenge for prospective employers at the moment is candidates receiving multiple offers or being counter-offered,"**

says Antony Berou, UK Head of Risk Recruitment.

**"Companies are being far more aggressive in their counter-offers. They know how hard it is to replace someone at the moment, so they're fighting to retain their best staff."**

Our research shows employers intend to increase base salaries for existing staff by an average of 6% this year. Bonuses in the banking sector are also predicted to be some of the largest offered since before the global financial crisis.

Across risk management specifically, 95% of organisations confirm they will likely be offering bonuses over the coming 12 months. However, only one in 10 employers believes their company's salary bands are 'very aligned' with candidate expectations.

Those that are unable to compete on salary alone are likely to place more emphasis on benefits packages, such as flexible working opportunities. This could prove particularly attractive in segments of the market traditionally known for long hours, such as regulatory reporting within the financial services sector.



Annual  
bonus: **92%**



Private  
Healthcare: **85%**



Flexible  
Working: **83%**



Enhanced Pension  
Scheme: **66%**



Cycle-to-work  
scheme: **64%**

# Salaries

Our salary guide tables provide indicative base salary ranges for positions in our specialist areas across locations which provide enough data to give meaningful figures. They are not comprehensive. If you cannot find a salary for your role, or a role you wish to benchmark, please email [bs@barclaysimpson.com](mailto:bs@barclaysimpson.com) or call 020 7936 2601 for specific guidance.

### Investment Banking – Credit Risk

Area	Graduate/Junior Analyst	Analyst	Associate Vice President	Vice President	Director	Managing Director	Chief Risk Officer
London	£40,000 - £45,000	£45,000 - £55,000	£60,000 - £80,000	£90,000 - £110,000	£120,000 - £180,000	£180,000 - £250,000	£250,000+
South East	£40,000 - £45,000	£45,000 - £55,000	£60,000 - £80,000	£90,000 - £110,000	£120,000 - £180,000	£180,000 - £250,000	£250,000+

### Investment Banking – Operational Risk

Area	Junior Analyst	Analyst	Associate Vice President	Vice President	Director	Head of Operational Risk	Chief Risk Officer
London	£40,000 - £50,000	£45,000 - £60,000	£60,000 - £80,000	£85,000 - £125,000	£130,000+	£140,000 - £250,000	£250,000
South East	£35,000 - £45,000	£40,000 - £50,000	£55,000 - £75,000	£85,000 - £125,000	£130,000+	£140,000 - £250,000	£250,000

### Asset Management – Operational Risk

Area	Junior Associate	Associate Vice President	Vice President	Director	Head of Operational Risk	Chief Risk Officer
London	£35,000 - £45,000	£45,000 - £70,000	£60,000 - £90,000	£85,000 - £115,000	£90,000 - £160,000	£140,000+
South East	£30,000 - £40,000	£45,000 - £70,000	£60,000 - £90,000	£85,000 - £115,000	£90,000 - £160,000	£140,000+

### Asset Management – Market/Investment Risk

Area	Associate	Vice President	Director	Head of Investment Risk	Chief Risk Officer
London	£40,000 - £80,000	£60,000 - £130,000	£110,000 - £250,000	£110,000 - £250,000	£130,000-£500,000
South East	£40,000 - £80,000	£60,000 - £130,000	£110,000 - £250,000	£110,000 - £250,000	£130,000-£500,000
Regional	£40,000 - £80,000	£60,000 - £130,000	£110,000 - £250,000	£110,000 - £250,000	£130,000-£500,000

### Retail Banking – Credit Risk

Area	Junior Analyst	Analyst	Senior Analyst	Manager	Senior Manager	Director	Head of Credit Risk	Chief Credit Officer	Chief Risk Officer
London	£30,000 - £35,000	£35,000 - £45,000	£45,000 - £60,000	£70,000 - £90,000	£90,000 - £120,000	£120,000 - £150,000	£130,000+	£150,000+	£170,000+
South East	£30,000 - £35,000	£35,000 - £45,000	£45,000 - £60,000	£70,000 - £90,000	£90,000 - £120,000	£120,000 - £150,000	£130,000+	£150,000+	£170,000+
Regional	£25,000 - £30,000	£30,000 - £35,000	£35,000 - £50,000	£50,000 - £75,000	£75,000 - £95,000	£100,000 - £130,000	£110,000+	£140,000+	£150,000+

### Retail Banking – Operational Risk

Area	Analyst	Manager	Senior Manager	Director	Head of Operational Risk	Chief Risk Officer
London	£40,000 - £50,000	£55,000 - £70,000	£65,000 - £90,000	£70,000 - £110,000	£115,000+	£150,000+
South East	£35,000 - £40,000	£45,000 - £70,000	£60,000 - £80,000	£70,000 - £100,000	£115,000+	£130,000+
Regional	£25,000 - £30,000	£35,000 - £55,000	£55,000 - £70,000	£65,000 - £90,000	£95,000+	£120,000+

### Corporate Banking – Credit Risk

Area	Graduate/Junior Analyst	Analyst	Associate Vice President	Vice President	Director	Managing Director	Chief Credit Officer
London	£35,000 - £40,000	£40,000 - £50,000	£50,000 - £70,000	£70,000 - £90,000	£100,000 - £150,000	£180,000 - £250,000	£250,000+
South East	£35,000 - £40,000	£40,000 - £50,000	£50,000 - £70,000	£70,000 - £90,000	£100,000 - £150,000	£180,000 - £250,000	£250,000+

### Consulting Enterprise & Operational Risk

Area	Analyst	Manager	Senior Manager	Director
London	£40,000 - £45,000	£45,000 - £75,000	£70,000 - £95,000	£85,000 - £110,000
South East	£40,000 - £45,000	£40,000 - £60,000	£65,000 - £90,000	£85,000 - £110,000
Regional	£30,000 - £35,000	£40,000 - £60,000	£65,000 - £90,000	£80,000 - £100,000

### Consulting Prudential & Financial Risk

Area	Analyst	Manager	Senior Manager	Director
London	£40,000 - £45,000	£45,000 - £75,000	£70,000 - £95,000	£85,000 - £125,000
South East	£40,000 - £45,000	£45,000 - £70,000	£70,000 - £95,000	£85,000 - £125,000
Regional	£30,000 - £35,000	£40,000 - £60,000	£65,000 - £90,000	£80,000 - £110,000

### Consulting Quant Risk

Area	Executive	Consultant	Senior Consultant	Manager	Senior Manager	Director	Associate Partner
London	£35,000 - £40,000	£45,000 - £50,000	£50,000 - £65,000	£65,000 - £90,000	£90,000 - £150,000	£150,000 - £180,000	£180,000 - £250,000
South East	£35,000 - £40,000	£45,000 - £50,000	£50,000 - £65,000	£65,000 - £90,000	£90,000 - £150,000	£150,000 - £180,000	£180,000 - £250,000
Regional	£30,000 - £35,000	£35,000 - £45,000	£45,000 - £60,000	£60,000 - £80,000	£80,000 - £120,000	£120,000 - £150,000	£150,000 - £200,000

### Retail Banking – Quant Risk

Area	Graduate/Junior Analyst	Analyst	Associate Vice President	Vice President	Director	Managing Director
London	£40,000 - £45,000	£45,000 - £55,000	£60,000 - £80,000	£90,000 - £125,000	£125,000 - £180,000	£180,000+
South East	£40,000 - £45,000	£45,000 - £55,000	£60,000 - £80,000	£90,000 - £110,000	£120,000 - £180,000	£180,000+
Regional	£25,000 - £35,000	£35,000 - £45,000	£45,000 - £65,000	£65,000 - £90,000	£90,000 - £150,000	£150,000+

### Corporate Banking – Quant Risk

Area	Graduate/Junior Analyst	Analyst	Associate Vice President	Vice President	Director	Managing Director
London	£40,000 - £45,000	£45,000 - £55,000	£60,000 - £80,000	£90,000 - £125,000	£125,000 - £180,000	£180,000+
South East	£40,000 - £45,000	£45,000 - £55,000	£60,000 - £80,000	£90,000 - £110,000	£120,000 - £180,000	£180,000+
Regional	£25,000 - £35,000	£35,000 - £45,000	£45,000 - £65,000	£65,000 - £90,000	£90,000 - £150,000	£150,000+

### Investment Banking – Quant Risk

Area	Graduate/Junior Analyst	Analyst	Associate Vice President	Vice President	Director	Managing Director
London	£50,000 - £55,000	£55,000 - £65,000	£65,000 - £90,000	£90,000 - £140,000	£140,000 - £210,000	£210,000+
South East	£40,000 - £45,000	£45,000 - £55,000	£60,000 - £80,000	£90,000 - £110,000	£120,000 - £180,000	£180,000+
Regional	£25,000 - £35,000	£35,000 - £45,000	£45,000 - £65,000	£65,000 - £90,000	£90,000 - £150,000	£150,000+

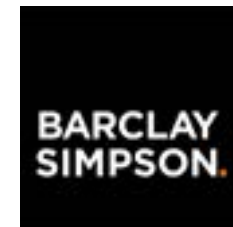


## Attract and retain the risk management professionals you need with Barclay Simpson

Risk is deeply embedded in financial services CEOs' agendas and demand for risk professionals has risen steeply over the past decade. The high growth and development of businesses combined with increased scrutiny from regulators has meant that recruiting for risk is an increasing priority for many, even while the risk talent market remains challenging to navigate.

We can help you create a talent attraction strategy with competitive salary offerings or help you find a role that aligns with your skills and long-term career goals, and support you from interview through to salary negotiations!

Arrange a consultation today to see how Barclay Simpson can support you as you build a risk management team that's future proof.



### **Barclay Simpson**

3rd Floor, 20 Farringdon Street,  
London, EC4A 4AB

**Email:** [info@barclaysimpson.com](mailto:info@barclaysimpson.com)

**Tel:** +44 (0) 207 936 2601