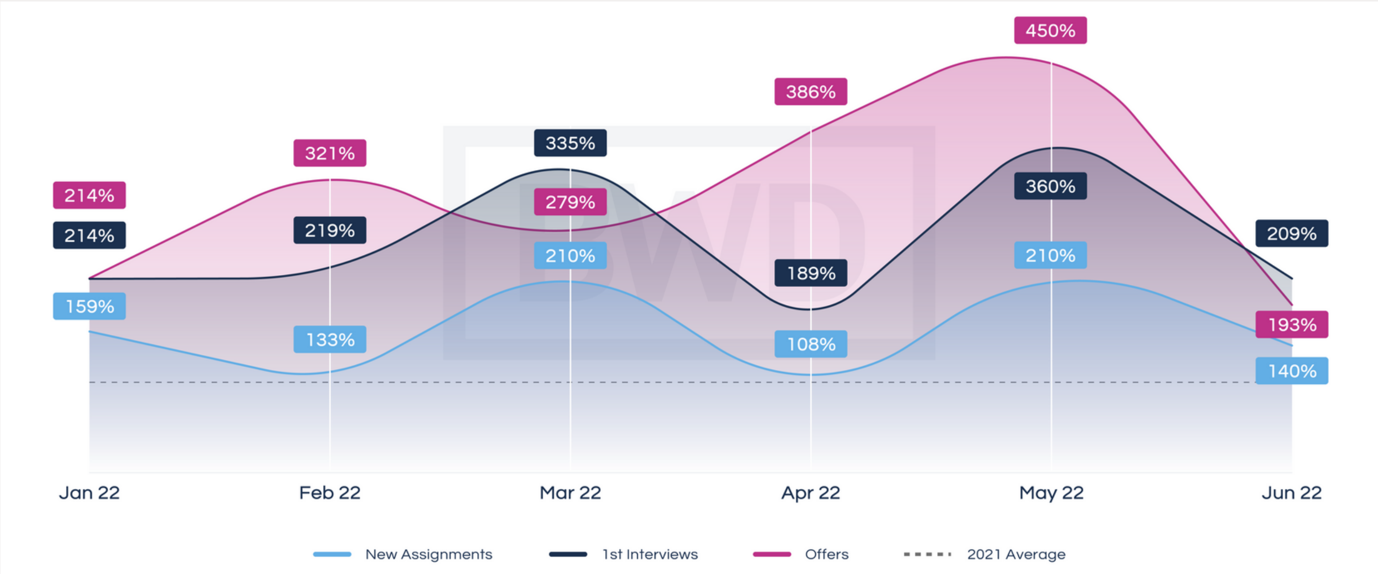
BWD

BWD ACTUARIAL, INVESTMENT & PENSIONS MARKET REPORT - H1 2022



WELCOME...

Given the cloud of economic uncertainty consistently hovering over the market, this year has already provided some interesting data to reflect upon.

Between 2021 and 2022, Actuarial, Investment and Pensions saw a 160% increase in assignments for 2022 H1. With bigger budgets for hiring new talent and more people switching sectors, this is no surprise.

Opportunity seems to be a key theme of H1 this year, but not without candidate shortages still causing significant issues for firms.

While the data shows encouraging signs, we do predict a slight downturn in H2 once recruitment budgets have been maximised and the market becomes more stabilised.

HIRING MANAGERS ARE BEING GIVEN **BIGGER BUDGETS**, THIS ALLOWS THEM NOT ONLY TO FOCUS ON SHORT-TERM NEEDS BUT TO HIRE FOR MEDIUM TO LONG-TERM GOALS TOO

THERE'S STILL A CANDIDATE SHORTAGE

Despite efforts to drive forward the number of graduate intakes, training and experience levels are still not enough to meet immediate needs.

With firms wanting to overfill roles to avoid letting clients down, the number of experienced candidates has not yet reached a satisfactory level.

AVERAGE INCREASES:

254% INTERVIEWS

307% OFFERS

However, with graduate intakes in full flow since Covid-19, there is still consistency across new opportunities and offers. With hope of graduates settling into roles long-term and adequate training being provided, the second half of 2022 has a clear focus for ensuring this happens.

Something to note is that naturally, with more jobs comes more interviews (an average increase of 254%). To coincide with this, offers have also risen with an average increase of 307% in H1.

While we predict these levels to fall during H2, this data is still striking considering the delicate state of the current market.

HIRING STRATEGIES...

PENSIONS OPERATIONS

The Pensions Operations market is arguably the most competitive market of the 3.

Pensions Administrators, Team Leaders, Admin Managers, Project Consultants, Governance Consultants and GMP Specialists are all in high demand.

Those who offer remote working are best placed to beat their competitors who don't. Cutting down commuting costs which in turn alleviates unnecessary expenditure and helps offset inflation is a huge pull, especially for those at the lower end of the pay scale.

We've seen a lot more importance placed on job titles too, particularly within Administration and those looking to make the jump from Pensions Administrator to Senior Pensions Administrator. People want to feel like they are pushing on with there careers and a new job title can give that satisfaction.

The interview process within operations is a lot more slick than it used to be; faster feedback, fewer interview stages and speed of offer – if your process takes longer than 14 days from reviewing a CV to offer then you'll miss out on more applicants than you get.

FIRMS NOW UNDERSTAND THAT CANDIDATES ARE **ADAPTABLE**, SO THEY NEED TO BE TOO

ACTUARIAL

A shortage of actuarial talent has existed for a long time. However, hiring strategies are now taking a more targeted approach.

Employers are now:
- Bringing talent from abroad
- Offering sponsorship to those who require it (with great success!)
- Paying less attention to actuarial exam passes

With this new approach, experience and an ability to do the work is the new focus.

Other trends show that those coming from an administration background are also much more likely to be considered for analyst positions than they were in 2021 (particularly if they have a relevant mathematical degree). This is down to having a transferable skill set.

Firms now understand that candidates are adaptable, so they need to be too!

INVESTMENT

Investment, among the consultancies is seeing talent move across to the asset management sector – so how have they tried to negate this?

Attracting talent from the pensions actuarial sector has been a fruitful endeavour for most; especially for those candidates who have had exposure to investment.

Salaries are more aligned so the ability to put competitive offers together along with the allure of working in a fully-fledged investment role seems to be a desirable path.

Firms are being more open minded about those who have direct involvement within pensions – it used to be a "must have", now it's a desirable but not essential.

The Pensions market can be taught and if candidates have the core skillset, then hiring managers are more willing to take what was used to be seen as a gamble.

I predict the investment market will follow suit as to that of their actuarial counterparts – and start looking to bring investment talent from abroad by the end of the year.

INTERVIEW TO OFFER

The amount of time on average from 'CV sent' to 'offer' across the actuarial, investment and pension market is 16 days. This is considerably less time compared to 2021 (25 days).

Based on this, here are some points to note:

- **19%** of roles worked in 2022 have only required one interview. This is usually more common across contracting and junior level positions, however 19% is the highest it has ever been
- **63%** of the roles we've supported take on average two interviews for an offer, this is largely similar to 2021
- **18%** of interviews take three or more interviews before offer. This is lower, compared to last year and is associated with higher paying positions.

With a shortage of high-level talent and an influx of graduate positions, the rise of a one-interview process leading to an offer is no surprise.

Due to high levels of competition, it's also worth remembering that hiring managers are having to work faster than before. To secure the best talent, one interview might be all the time they have!

TIME ON AVERAGE FROM 'CV SENT' TO 'OFFER'

25 DAYS 2021

16 DAYS 2022

AFTERCARE

What happens after a candidate has accepted an offer is a severely overlooked part of the hiring process.

In 2021, we observed a number of candidates accept a role, but decide not to follow through.

This was because they either hadn't heard from their new employer in time, or they didn't feel valued as a new recruit from the offset.

For 2022, we're already noticing a shift in this trend, with line managers now responsible for keeping up communication with new joiners in the lead up to their start date.

Previously, this responsibility fell onto HR or internal recruitment teams.

MORE EMPLOYEES HAVE SWITCHED POSITIONS IN THEIR FIRST 6-MONTHS IN H1 2022 THAN IN 2021

BUT WHY?

TRAINING

With most firms having now adopted work-from-home or hybrid working models, it might be difficult to see why candidates are still jumping ship. In H1 we've noted more employees switching positions under the 6-month mark than in 2021 — but why?

Essentially, it comes down to training.

It's much harder for new starters who aren't in the office to ask a quick question, and it's equally difficult for a manager to tell if a new starter is reaching their full potential from home.

Understaffing and busy teams usually leads to training being moved down the priority list. However, it should never be overlooked when it comes to new hires.

Structured training programmes and regular 1–2–1 catch ups (once a week/fortnight) in the early stages are a good way to ensure that your new starter is brought up to speed (while also making them feel like a valued member of the team!)

NEW STARTERS **DON'T WANT** TO BE SEEN AS 'PESTERING' THEIR MANAGERS & INSTEAD, OFTEN SIT IN SILENCE.
AT THE SAME TIME, MANAGERS **DON'T HAVE** ENOUGH HOURS IN THE DAY TO INVESTIGATE UNDECLARED ISSUES

H2 OUTLOOK

Overall, we are yet to see many reasons as to why we can't have a positive outlook for the remainder of the year.

If H1 is anything to go by, we are in for a bumper H2. Talk of a recession hasn't yet translated into a shortage of positions in the Actuarial, Investment, and Pensions market.

Whilst we'd anticipate a slight slowdown in job openings, the immediate need for talent will still exist and we expect firms will offer up more contracting positions to help see them through to the end of year.

16.5%

AVERAGE SALARY **UPLIFTS** ACROSS ALL AREAS

OUR ADVICE FOR CLIENTS

- Keep consistent contact with new joiners, even after they've accepted your offer
- There's a rich talent pool abroad - tap into it!
- Keep the time between interview and offer stages short if possible - this will involve streamlining your interview process and remaining focused on the qualities you're looking for
- Consider a heavier focus on training for all new hires (not just graduate hires)
- For graduate hires, more intensive training is a good use of investment for H2
- Benchmark market pay using our salary calculator

STRUGGLING TO FIND TALENT?

Talk to our experienced Financial Services recruitment consultants today to develop a talent-ready strategy.

BOOK A CALL

OUR ADVICE FOR CANDIDATES

- Gain clarity on your needs and wants before committing to a move
- Expect a quick interview process and make sure they answer all your questions
- Ask about their training schedule and personal development plans during the interview
- Know your CV inside out and back to front, read through it the night before an interview to give yourself the best chance of success
- Research the company prior to interview, fail to prepare, prepare to fail.
- Benchmark your salary using our handy salary calculator

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And we're not all talk either. Based on feedback using Recruiter Insider, we are ranked in the top 5 agencies for both client and candidate experience.

FOR FURTHER INFORMATION, PLEASE CONTACT:

HARRY MCNEILL
MANAGING CONSULTANT
07983 855 320
HARRY.MCNEILL@BWD-SEARCH.CO.UK
LinkedIn