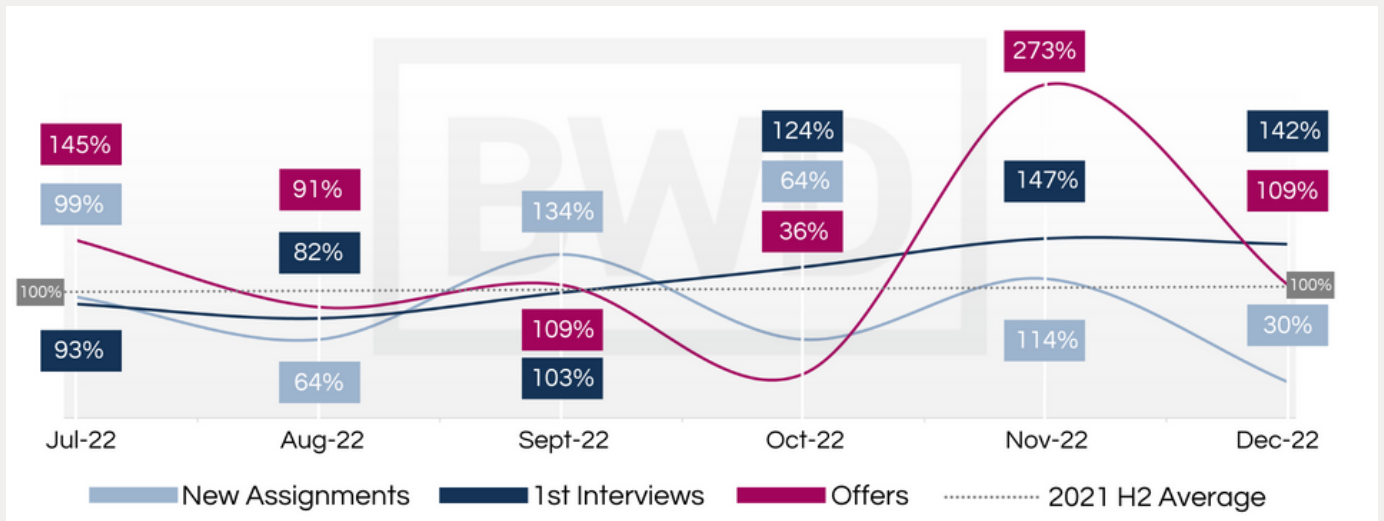


BWD WEALTH MANAGEMENT MARKET REPORT - H2 2022



WELCOME TO THE BWD WEALTH MANAGEMENT MARKET UPDATE FOR H2 2022

Following on from a frantic and, for us, record breaking, H1, we saw a slight 'market correction' in H2. The first half of the year is typically busier for us, a time when hiring managers' fresh budgets coincide with candidate's 'new year, new job' mentality and 2022 was no different.

That said, H2 activity level in 2022 continued to be higher than H2 2021, with first interviews and offers 15% and 27% higher respectively than the previous year.

H2 2022 VS H2 2021
ACTIVITY INCREASE:
1ST INTS OFFERS
15% 27%

In early H2, one of the most noticeable features, perhaps understandable due to the intensity of H1, was that the usual summer slump was starker than ever. As a recruiter it felt like I was recruiting in France, with the majority of people either holidaying physically or mentally for the entirety of August!

After a bounce back in September, our chart then mirrored the FTSE 100 in October, with the significant political carnage of the time certainly appearing to have a direct impact on market confidence and subsequently job offers extended during the month.

Fortunately, the steadying of waters following Rishi Sunak's appointment at the end of the month saw November offer levels hit 273% of the levels seen across H2 2021, before the market wound down towards a well-deserved Christmas break.

6 MONTH NOTICE PERIODS FOR FINANCIAL PLANNERS

Previously reserved for Senior Management, we have seen a definite trend during H2 to 6 month notice periods becoming more commonplace for Financial Planners of all levels. Where previously 3 month notice periods had, a few years ago, taken over from 1 month as the norm, we are seeing more and more firms increasing notice periods to 6 months, both for their current advisers and new recruits.

WHY WOULD YOU WANT TO PAY SOMEONE 6 MONTHS SALARY WHEN THEY HAVE MENTALLY 'CHECKED-OUT'?

Commercially this is nonsensical in the vast majority of cases. However this is likely borne out of firms' fears as to how difficult it will be to replace them, and the perception that a) it will make it harder for them to move on and b) it will give them more time to replace them if they did. In reality, most are able to negotiate this down post-resignation (to c3 months) once handovers are done, but it does add an extra layer to a candidates search and exit strategy.

CLIENT FLEXIBILITY

Again stemming from the candidate driven market, happily we have seen during the last 6 months an increase in the willingness of firms to flex their candidate criteria. With the market as it is, companies are coming to the realisation that the unicorn candidate often doesn't exist and in order to recruit, and keep within budget, they may have to flex on one or two criteria.

FOCUS ON THE 8 OR 9 REASONS WHY YOU SHOULD HIRE SOMEONE, NOT THE 1 OR 2 RESERVATIONS OF WHY YOU SHOULDN'T

Whether this be qualification level, number of years' experience or segment experience, in this market firms need to seriously consider those with the potential as well as those who are the finished article. As I always say, when considering a candidate, focus on the eight or nine reasons why you should hire someone, not the one or two reservations of why you shouldn't.

SALARY RISES IN LINE WITH INFLATION?

'Salary increases in line with inflation' seems a phrase of the past. I can't remember the last time I saw this in an employer's contract or on a job advert. Whilst anecdotally, I have heard of a few firms offering one-off bonuses or salary increases to help staff through the higher cost of living, it appears financial services hasn't fared well in ensuring salaries keep track of inflation.

According to the ONS, whilst average growth in total compensation within Financial Services stayed (well) ahead of inflation through late 2021 and early 2022, it plunged well below from the summer onwards, more so than any of the other strongest growth industries with the exception of Property.

29% AVERAGE SALARY INCREASE

HIKE IN INCREASES FOR MOVERS

Despite the growth in compensation falling below inflation across the market in general, for those moving role during the second half of last year we saw exceptional increases. On average, offers were 29% higher than a candidates' current salary, whereas in H1 the figure stood at 18%, and historically has averaged c20%. Within this were several scenarios where candidates were moving from small practices to larger corporates, with potentially deeper pockets, but the trend shows further evidence of the fight to attract talent in a candidate short market.

FINANCIAL PLANNING WILL ALWAYS BE NEEDED BY CLIENTS, JUST AS MUCH IN THE BAD TIMES, AS THE GOOD

THE LULL BEFORE THE STORM?

As we look forward to the 2023, there seems no doubt that it is going to be a more challenging year than 2022, with common consensus set on a recession. The severity and timing of that recession differs significantly depending on who you listen to. However, whilst equities will struggle, directly impacting the bottom line of financial services firms, there continues to be an optimistic feel for 2023. As a client once said to me, Financial Planning will always be needed by clients, just as much in the bad times, as the good.

OUR ADVICE FOR CLIENTS

- A streamlined, two-way interview process helps keep candidates engaged
- Direct communication, and following the interview process establishes trust between candidate and new employer
- Don't let good talent pass you by, act fast!
- Counteroffers are rife, expect your budgets to be pushed
- Candidates are seeking flexibility, and be clear in your vision for the business
- 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

- Before exploring alternative options, consider asking your employer about possible pay awards and promotional opportunities. You can benchmark your salary using our [salary calculator](#)
- View all job offers with an open mind. The company offering the most money might not be the best company to work for
- What perks come with each offer; is there confirmed flexibility, how much scope is there for growth and personal development?

OPEN TO NEW OPPORTUNITIES?

Register with us today to be kept up to date on the latest roles & receive the latest market insights and general career advice.

[REGISTER](#)

EXCEPTIONAL SERVICE. EXCEPTIONAL RESULTS.

BWD delivers proven financial services recruitment strategies that connect the best talent with the industry's leading companies.

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,
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