

HR Recruitment Market Update

September 2011

HR Recruitment Market

The HR recruitment market has been surprisingly busy across June, July and August despite initial predictions of the usual slow down in recruitment expected in the summer months. The majority of roles have been replacement hires although there have been some incremental vacancies released, mainly in the Graduate Recruitment and IT Trainer markets. We also witnessed high numbers of interim HR Generalist vacancies, in particular within Investment Banks where permanent headcount release is on hold due to turbulence in the markets, ongoing change agendas and planned restructures. There were also numerous maternity cover posts available to those available for interim assignment.

Graduate Recruitment

The financial services space has shown a steady and constant need for Graduate Recruitment professionals over the last quarter. Leading Investment Banks and smaller Financial Institutions alike have come to market predominantly at the Junior Recruiter level and below following a considerable amount of movement at the senior end at the beginning of 2011.

New opportunities have arisen for a variety of reasons and are largely reflective of positive re-investment into the attraction of graduates in a fiercely competitive landscape. Whilst a good proportion of roles have been replacement hires, we have also seen an increase in incremental headcount in larger organisations as well as brand new roles in smaller organisations.

Specialist Graduate roles, namely Graduate Development and Campus Recruiters have shown an increase. In the run up to the autumn campus season the rise in more marketing focused opportunities is to be expected as branding and attraction is high on the agenda. Likewise the increased graduate hire targets explain the presence of more roles across development.

Salaries have remained competitive yet fair, with the only notable uplifts coming at the Junior Graduate Recruiter level where need tends to outstrip available talent.

Here we have seen the banking sector relying heavily on the professional and legal sectors for their outstanding Graduate Recruitment Officers/Advisors. As we move forward there is

likely to be seasonal need for junior contract/temp Graduate Recruitment professionals to support the busy campus season and manage the co-ordination of applicants.

Generalist

The demand for junior to mid level HR Generalists increased significantly across the summer months with a much greater number of roles at AVP/VP level released. New headcount at AVP level has been fairly sparse this year, especially in the financial services sector so there has been a large pool of suitably qualified candidates available for permanent roles. However, the large numbers of fixed term contract roles available have not been as successful in attracting the calibre of candidate expected in the financial services sector.

Active HR Generalists on the market still far outweigh the opportunities available to them. The professional services sector has been actively recruiting at HR Officer/Advisor and Manager level and many have been sourcing the readily available candidates with financial services experience.

HR Business Partners with strong technical skills coupled with the ability to deliver strategically, remain in demand, however Senior HR Professionals have found limited opportunities available externally within investment banking throughout Q3 and many have explored opportunities in global blue chip organisations across the energy, IT and FMCG sectors. Those hiring at this level have had a strong pool of candidates to consider and are able to specify and secure exactly what they need.

Candidates at all levels are generally securing a salary uplift of around 10% and the high volume of quality candidates available ensures that few are able to command any greater increase. However, with the constant change, transformation and restructure witnessed in many HR functions in financial services, many generalists have change fatigue and are more interested in joining an established HR function with solid infrastructure rather than gaining a huge increase in salary.

HR Systems

This market remained very quiet for the majority of summer. Opportunities were few and far between and many roles were filled within two weeks of being released. Now, demand for HR SAP professionals is on the rise, while PeopleSoft experts are experiencing more difficult conditions.



Salaries however have failed to inspire more passive candidates to move roles. Skilled HR SAP systems professionals can demand basic yearly salaries of £75,000 upwards for their work and there are a number of requirements at the £50,000 level struggling for applicants. We expect to see steady requirements continue in this area, although not with any particular volume as HR Systems requirements aren't affected by the cyclical hiring in other areas of HR.

Reward/MI

Throughout June and July, we saw considerable movement in the Reward market between the £45,000 - £75,000 salary bands. Candidates above and below this level struggled to see the volume and choice of roles they were looking for until quite recently.

Many companies found themselves with numerous gaps in their Compensation and Benefit teams due to resignations as Reward professionals took advantage of a more stable job market and secured a new role. Despite the large volume of hiring, many were unable to complete their hiring process swiftly, and some are still conducting first stage interviews on roles released three months previously.

Candidates looking for positions at Reward Manager level attended between five and ten first stage interviews alone and we witnessed many candidates be invited for 'at large' interviews where the candidate was under consideration for a number of different open positions.

Professionals looking for interim opportunities have had little come their way as firms concentrate on permanent hire as a priority, but as is typical of the cyclical hiring market in Reward, we are now witnessing a steady increase in the number of interim roles being released to bring extra help on for the year end process.

In August, we witnessed a sharp increase in the demand for analyst level MI and Reward talent. Interim and permanent requirements under £40,000 are numerous and this is expected to continue throughout September and October and teams that move the fastest will secure their preferred candidate, those with lengthier recruitment processes, regardless of package offered, could find themselves struggling to bring talent onboard.

Now the summer is drawing to an end, companies still struggling to find professionals at middle manager level will need to step up the search, or consider bringing an interim on board. If firms are considering hiring analytical talent to cover the year end process, releasing requirements as early as possible will ensure you stay one step ahead of the

competition, and we are certain there will be a considerable amount of competition soon.

Learning and Development

As expected the senior L&D market has been slow moving with limited opportunities and this is often a trait experienced in Q3. There is no doubt that the economic uncertainty has further compounded this with budget and hiring freezes further restricting roles in the development arena. In this respect learning and development seems to be following the general trend of HR recruitment with a reduction in the number of opportunities seen at the senior level but an abundance of opportunities at the Consultant, Advisor & Assistant level. This market is moving quickly and is very competitive with strong candidates often securing multiple offers. As a result, agile clients who can respond to the change of pace in the market are securing the top talent.

IT training is one area that has witnessed high volumes of activity and this is predicted to continue, driven by the number of organisations upgrading to Microsoft Office 2010 and improving client relationship management systems. This has resulted in an increase in the number of permanent roles coupled with a dramatic spike in demand for short term contracts, which has been a welcome relief to contractors as with the increased opportunities there has been an increase in the average daily rate to secure the top trainers.

September traditionally brings new opportunities across the L&D space; generally a combination of newly approved headcount and replacement hire and indeed this is something we are already witnessing in the technical training arena. With recent announcements regarding redundancies in many quarters, it remains to be seen if the rest of the learning and development market will follow suit. Over the last quarter, we have witnessed some senior level moves at ED level and above which usually results in a flurry of activity as the newly appointed seek to introduce their talent agenda and build their own teams.

Contact us:

If you would like to discuss this report or learn more about how our dedicated Human Resources division can help you with your recruitment needs, please contact us via one of the methods below:

Ciara Clarke, Manager HR Division

Tel: +44 (0)20 7469 8999

Fax: +44 (0)20 7469 5001

Email: c.clarke@huxley.com