

MARKET UPDATE

OVERVIEW

Permanent HR hiring at the beginning of the year remained steady off the back of a buoyant 2015. However, the EU referendum, combined with reduced share prices and economic uncertainty, impacted hiring volumes towards the end of H1 2016.

Cost reduction, contingency planning, consolidation and restructuring have been at the forefront of HR and leadership discussions over recent months. Organisations are increasingly seeking operational HR efficiency. Particularly in London many permanent roles which are not business-critical are being reduced where possible in the short term.

In the financial services sector reward and compensation specialists are in high demand due to growing pressure from regulators, particularly within investment banking.

HR change and transformation specialists/project managers are also in high demand, especially organisation design professionals and HR systems implementation specialists as firms across financial services and commerce and industry look to improve the efficiency of internal operations. Similarly, embedding specific business change initiative objectives, particularly in periods of extensive change, has driven demand for HR business partners across established businesses and startups.

As always, hiring at the junior level remains busy. However, we have seen a number of global financial and professional services organisations off-shoring or relocating their junior HR services teams in order to meet cost saving objectives.

With the result of the EU referendum, it is possible that some less "business facing" permanent positions may be relocated to more cost-effective locations. Despite this, we anticipate that in Q3 the market will pick up more so from a contract perspective and confidence will return across the full HR spectrum once definitive strategic personnel decisions are made in the wake of the referendum.

We are experiencing an increase in more niche job specifications around reward and benefits. In some cases businesses are facing candidate shortages but remain reluctant to consider candidates with transferable skill sets. A significant downturn in graduate hiring and recruitment related roles across all industry sectors has also been notable in the first half of 2016.

CANDIDATE MARKET

Opportunity for progression continues to be the main driver for candidates job hunting across all sectors. Within bulge bracket banks uncertainty and job security became a significant factor in candidate flow.

In many cases temporary contracts have not been extended, increasing the volume of contract HR professionals into the jobs market. Employers should be as transparent as possible regarding career progression, particularly with the Millennial generation in order to attract and retain staff.

Typically, junior HR interview processes have been moving very swiftly across all industries due to candidate shortages, with most candidates engaged in multiple processes. Typically firms with the quickest hiring process will secure the best talent.

KEY HIRING AREAS

During the first half of 2016 regulatory reward specialists were in high demand within financial services across both contract and permanent job markets. Financial services generalists also placed an emphasis on recruiting permanent benefits specialists, while interim HR change and projects specialists were in demand.

Business partners at assistant to senior level saw significant demand for their skills from a range of employers including boutique financial services organisations, technology, telecoms and media across both temporary and permanent markets.

Similarly, in less senior roles, learning and development specialists with one to three years' experience were highly sought after across all industry sectors on a fixed term and permanent basis.

SALARIES AND RATES

Base salaries and rates have remained largely static since 2015, though generalists with extensive employee relations/employment law expertise have been able to command higher salaries in some cases.

A shortage of candidates at the junior end of the market has meant that "in demand" high calibre professionals are likely to have more than one offer across different industries. As a result, employers must ensure that offers are competitive.

AT A GLANCE

RECRUITMENT TRENDS

TALENT SHORTAGES

72% of employers have been affected by talent shortages

MANAGING SKILLS SHORTAGES

Which of the following recruitment strategies have you adopted to manage candidate shortages?



ENGAGING WOMEN RETURNING TO THE WORKFORCE



RETAINING MILLENNIAL PROFESSIONALS

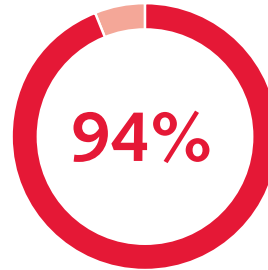
What keeps Millennials engaged at work?



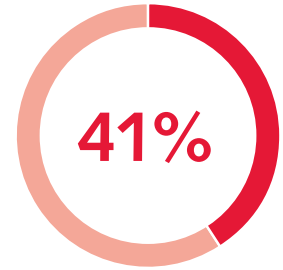
HIRING INTENTIONS



PASSIVE JOBSEEKERS



94% of professionals are open to a job approach even when not actively looking



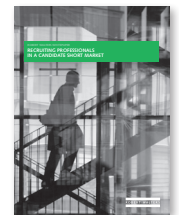
However, only 41% of employers have a plan in place to attract passive jobseekers

MARKET LEADING INTELLIGENCE

The Robert Walters Salary Survey is the most comprehensive review of global recruitment trends and salary levels available. It's ideal for benchmarking your team's salaries, your organisation's salaries and your own, making determining pay and bonus reviews significantly easier.



Our recruitment insight series of whitepapers provides industry leading research to help employers manage their recruitment strategies and address key talent management issues. To receive a copy of any of our market leading intelligence please contact us on the details below.



To discuss your recruitment requirements, please contact:



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