



# MARKET TRENDS REPORT 2H 2011

BANKING &  
FINANCIAL  
SERVICES

ambition



Australia



Hong Kong



Singapore



United Kingdom

## Introduction



Change is a word we've been hearing a lot of lately – and after a couple of difficult years in the Banking & Finance recruitment market, it is a word we like to hear.

For a lot of businesses, change is firmly on the agenda. Whether it is internal finance transformation, change management, process improvements or changes in general business direction and strategy, a collective recognition of improving conditions seems to be sweeping through the marketplace, bringing with it a guarded sense of optimism about the year ahead.

Activity levels have been increasing in both the contracting space and at the entry point of the market for some time now, but the early months of 2011 have seen resurgence in hiring activity in the middle management levels (\$150K-\$200K) as well.

At the senior levels (\$200K+) activity levels are improving, but we have not witnessed an opening of the flood gates. What is notable however is that the positions that have been available have been more typically the result of positive business sentiment, through succession planning or restructuring for growth instead of cost reduction.

Over the past twelve months the economy has been driven in large part by demand for Australian commodities, with much being written about the success of the mining, infrastructure and utilities sectors, and the underperformance of the retail and FMCG markets. Caution has been the watchword, with recruitment plans being defined by an overall sense of conservatism.

That too may be changing. So far in 2011 we have seen an appetite for the commercial sector to invest in value add, decision support and planning roles – positive signs that the market is moving on from a period of cost reduction and risk management, and is again starting to look at improving shareholder value, profit outcomes and overall market share.

The author Norman Vincent Peale once wrote “change your thoughts and you change your world”. From what we have seen of 2011 so far, the thoughts of the people who drive the employment market are undergoing a change. For employers, employees and recruiters alike – that is good news for our world.

**Simon Tobin**  
Managing Director – Ambition, Banking & Financial Services

## Economic Overview

The Australian economy continued its good run in the early part of 2011, with strong economic growth, outstanding terms of trade and an unemployment rate that is the envy of most nations the world over. Driven in large part by a resources boom creating enormous demand for Australian commodities, we have enjoyed remarkable resiliency in the face of overseas pressures and posted significant economic growth behind strong performances in the mining, oil & gas and utilities sectors.

Notably, Australia has also enjoyed a sustained period of currency stability with the AUD achieving record highs against the USD and the Yen, underscored by strong commodities demand, and upward pressure on prices for traditional Australian economic strengths like minerals and food - this trend looks set to continue over the next twelve months. Never has the Pacific peso looked so good!

Of course, whilst the ongoing strength of the Australian dollar has provided a once in a lifetime opportunity for holiday makers and an increasingly safe haven for currency traders, it has also provided major challenges for significant portions of the economy. The Tourism sector has been hardest hit, with services set up around the pipeline of overseas tourist dollars suffering from a marked drop in international tourist activity, as well as providing challenges for manufacturers (particularly smaller ones) with a vested interest in export markets.

“*Australia remains in a unique position to take advantage of continued growth in a number of Asian economies.*”

Another major concern is the deflated rate of consumer spending – a hangover from the GFC perhaps, with households opting to increase savings and reduce debt in the wake of recent financial difficulties. Reduced consumer spending has made the market conditions more difficult for retailers and certain FMCG companies, with the rates of growth experienced in these sectors significantly less than we are seeing in the boom resources area.

Other concerns remain on the horizon. With continued demand for commodities driving further employment growth – and an economy that is already experiencing something near full employment, there are legitimate concerns about upcoming human resource supply shortages, and associated inflationary pressures. Additionally, like much of the rest of the Pacific, Australia waits to see what long term effect the recent spate of natural disasters in the Pacific Rim will have on local economies. The US economy remains stubbornly stagnant. Elements of the European community are facing substantive recessionary pressures. Geo-political developments in the Middle East could impact markets significantly. Globally, the challenges to our current economic strength remain evident.

In the face of all that however, the economic outlook remains buoyant. Australia boasts low inflation, falling unemployment and increasing business confidence. Most importantly - with our wealth of natural resources, Australia remains in a unique position to take advantage of continued growth in a number of Asian economies.

## Demand Drivers

### Risk, Audit & Compliance Remains in Strong Demand

Whilst the banking & finance sector was hit very hard during the downturn of 2009, the demand for risk, audit and compliance professionals broadly remained strong. Indeed, this sector proved itself to be almost “wobble-proof” with companies continuing to invest in their risk and compliance capabilities in an environment that was being largely defined by cost cutting.

We believe that increasing compliance obligations in relation to both IFRS standards and the new regulatory framework laid out under Basel III will continue to drive strong demand in this segment.

Additionally, with increased public and Government scrutiny, and potential government intervention hanging over the head of the retail banking sector in particular, there will be significant pressure on that segment of the industry to continue viewing audit and compliance as amongst their highest priorities.

### Some Confidence Amongst Investment Banks

Hiring in investment banking rebounded early in 2010 in the belief that the post-GFC recovery would be “V-shaped” and strong. Hiring moderated in the second half as business conditions were characterised by volatility, low trading volumes and a lacklustre corporate advisory market.

However, having survived the worst of a difficult economic period, we have seen a gradual shift from cost cutting and head count freezes, to a more active pursuit of people who can bring deals and profit. With many banks sitting on improved capital positions, several are now well placed to leverage balance sheet strength to look at new ways to improve returns through systems enhancements, structural re-organisation or by entry into new and expanding markets.

This in turn is leading to some increase in demand across a variety of role and sectors in investment banking. Larger scale projects are driving demand for some of our clients; for others it is the targeting of niche and specialized skills. Broadly speaking, hiring conditions are improving and will probably continue to do so this year.

### Wealth Management Heating Up

After a relatively flat period of recruitment in the wealth management sector, driven by significant merger & acquisition activity along with turbulent market conditions, we are starting to see some real movement in this space over the last few months, with opportunities for Reporting Analysts, Financial Accountants and Relationship Managers on the increase. In particular, we have witnessed significant activity in the private wealth sector, as a number of market players look to improve their holdings in one of the fastest growing and most lucrative sectors of the financial services industry.

## Overseas Market Expansion

Many organisations are stepping up their focus on looking overseas for opportunities to expand their profit earning capabilities. This drive is hardly new and with Asia's developing economies and growing wealth ensuring the region is the global growth story, there is more focus than ever on how Australian and international organisations can leverage their regional footprint.

This is providing some attractive opportunities for financial services professionals especially those who are internationally mobile. Remuneration packages can be lucrative but there are very few big expat packages "with all the frills" on offer these days. Other benefits (e.g. taxation rates, international career opportunities, lifestyle) mean Asia is still an attractive destination.

## Benefits of the Commodities Boom

The commodities boom accounts for a significant amount of activity in the Australian economy and the banking sector has benefitted like many others. Candidates with resources and energy experience are in demand, and while China and India continue to drive demand for commodities and natural resources, Australia is well placed to benefit.

Depending of course on the opportunity itself, and the rarity of the skill-set required, we are seeing upward pressure on salary in this market segment.

## Increasing Levels of Hiring

In an active employment market, a certain level of activity is always derived from employment churn. Businesses are restructured, careers progress, employees leave to take on new opportunities – and these create new positions for other candidates looking to make a move.

Over the last few years we have seen the level of churn reduce significantly. Confidence was down, career moves suddenly looked more risky and the natural inclination for employees was to focus on job retention in their current role. Naturally, with fewer opportunities out there, and increased competition for those opportunities, job stability is considered at a premium, and we saw candidate "liquidity" stagnate.

With conditions improving however, we are noticing an increase in the numbers of candidates testing the market. They may not be highly motivated to find a new position in the very near future, but after a period of time where most people's career trajectories plateaued and salaries remained static, many employees are thinking about the opportunity to "make up for lost time". Candidates want the promotion or salary increment that they feel has been on hold, and are starting to look to external opportunities as a way of achieving that.

At the time of writing, we have not reached the "tipping point" where new opportunities + resulting churn = a market rich with opportunities. However the critical mass of movements will be reached in the not too distant future.

## Sector Notes

### Retail Banking

Activity levels in the retail banking sector have remained steady over the last six months, with a number of projects in the fields of process improvement and systems integration taking place. Competition for top quality staff amongst the bigger domestic banks remains fierce, particularly within the wealth management and private banking segments of their business.

Management Accountants, Financial Accountants, Business Analysts, Cost Analysts, Project Accountants – and candidates with backgrounds in testing methodologies and analytics are all in demand. At the more senior end of the market we are seeing a significant amount of rotation as a number of retail banks adjust their senior finance teams.

### Investment Banks

There are numerous opportunities in the market right now for candidates with backgrounds in product control (especially with a business partnering emphasis), project accounting, fund accounting, business analysis and management reporting.

At the more senior levels there is a real demand for experienced candidates who are capable of becoming genuine business partners – building networks between front and back office, overseeing stringent regulatory and compliance controls whilst also being able to contribute substantively to the articulation of overall strategy.

### Financial Services

Risk management has been a hot topic in the financial services sector, with many financial services firms looking inwardly at their risk structure and becoming more robust in preparation for increased regulatory oversight and future economic and market risks.

The aforementioned focus on growth in the wealth management sector has led to an increase in demand for Business Developers and Operational Managers. We've also witnessed an uptick in demand for Product Development specialists (including Analysts and Researchers) in wealth and super products.

Reporting Analysts, Systems Accountants (especially with SAP experience), Finance Analysts and Project Managers are all in demand.

### Back Office & Operational

The market for technical operational employees to look after portfolio administration and advisor services remains strong in 2011. There is also significant demand for Desk Assistants and people with specialist knowledge within the corporate actions space.

In operations there is a good level of project work that is driving demand around transitions, migrations and systems implementations.

## Supply Drivers

### The “Grass is Greener” Syndrome

As employer confidence begins to return to the market, with a corresponding increase in job opportunities – so too does the level of confidence felt by employees. Over the past few years the focus on many has been job retention and stability, but the tide appears to be turning. For employees who have suffered reductions in expected pay increases, were disappointed by a trend toward frugality at bonus time, or found their careers otherwise stagnating during the recent difficult economic period, conditions are starting to appear more favorable.

As a result of this, we are experiencing a significant increase in passive job seeker interest, i.e.: candidates who currently have positions, but are looking for information about what other opportunities might be out there for them. Interest is being expressed across all levels, from candidates with only a few years experience all the way up to industry veterans with substantial market value.

### Fishing in a Small Pond

Having just undergone a lengthy period where the supply of candidates outweighed demand, some employers may have forgotten just how quickly the situation can change. With an economy approaching almost full employment, and a historical lack of qualified accounting and finance professionals, even a small amount of organic growth can be enough to create a situation in which competition for candidates can become fierce.

Already we are seeing this at the top pedigree, with candidates who are able to put forward an attractive proposition to employers receiving significant interest from the market. As the amount of available talent in the candidate pool diminishes, we can expect competition amongst employers for top talent to heat up, leading to situations where candidates are receiving multiple offers for their services, and pressure on salaries goes up.

### Overseas Supply Factors

Driven in part by changes to the UK's Highly Skilled Migrant Visa program, along with some turbulent economic conditions in the European and North American financial markets we have witnessed a number of ex-pats investigating returning to Australia to take advantage of the comparatively robust local conditions.

In addition to an increase in returning Australians, we have also seen a tendency from contractors from the UK to extend the duration of their expected working holidays. With poor conditions in a number of key markets, many contractors are making the decision to stay in Australia for another 6-12 months, providing businesses and recruiters alike with a small but talented pool of resources to help meet seasonal demand.

It should also be mentioned that the continued strength of the Australian dollar remains a key factor in the attractiveness of our employment market. For years Australia has offered beautiful weather and fantastic lifestyle to prospective overseas candidates – now we offer great value as well.

## Future Trends

### Retention and Employer Brand Propositions

With improving market conditions, and a large number of employees who have remained stagnant in the one role over the last few difficult years, the challenge companies will face when it comes to retention over the next twelve months will be enormous. Companies that had to make tough decisions over the last year, or who asked their staff to commit to long hours without relative increases to remuneration will be particularly vulnerable.

Already we are seeing companies put renewed resources into creating a compelling proposition for their staff (both current and potential). Companies who are able to articulate a clear market vision, offer competitive salary levels, provide steady leadership and encourage career development and cross training will be well placed going forward.

In addition to this, we are starting to see numerous examples of companies willing to think outside the box when it comes to improving their brand integrity, and the attractiveness of their employer proposition. Some have offered their employees on-site gym access, subsidised purchases through company created schemes, or discounts on insurance, products, or plans. Others have taken a more flexible approach to work/life balance, or enhancing their social responsibility programs to include community projects and volunteer days.

Plenty of employers may be skeptical about these kinds of incentives, but others are beginning to believe that it could be valuable additions to their employment offering. When it comes to ensuring their investments in the training and development of their staff remain within the business, some of these benefits are an effective part of the attraction and retention tool kit.



*With increased competition for top tier candidates already underway, companies will be faced with increased upward pressure on salaries.*

### Employers Shouldn't Procrastinate

With increased competition for top tier candidates already underway, companies will be faced with increased upward pressure on salaries. Financial flexibility will be important – but what will be just as important in most case will be the speed with which a company can make a hiring decision.

In periods of heightened caution from employers, there is a natural tendency for the interview, offer and orientation process to slow down. As the market conditions change however, the delays caused by extra layers of decision making, or an inability to quickly achieve sign off on a decision will end in the loss of potential key talent. This is a critical time for employers to examine their recruitment processes, both internally and externally.

In the end, brand integrity, financial flexibility and streamlined recruitment processes are the keys to winning the war for talent. As always, having a trusted recruitment adviser who is completely immersed in market remains your greatest ally.

## Recruiting Trends

In some cases, the changing nature of the employment market has already resulted in significant alterations to the way HR departments are approaching the recruitment process. Some companies have looked to expand the resources of their HR team significantly, giving the individual departments greater control over candidate screening and selection.

At the entry point of the market this strategy can prove very effective for certain businesses, allowing them to reduce processing times and reduce external cost. At the more senior levels, where the demands of the job can be very specific and the skill-sets required highly technical, this strategy is less effective. Few HR departments or in-house recruitment teams can ever devote the resources to a specific field that a specialist recruitment provider can, and in these scenarios the value of working with a trusted adviser again becomes readily apparent.

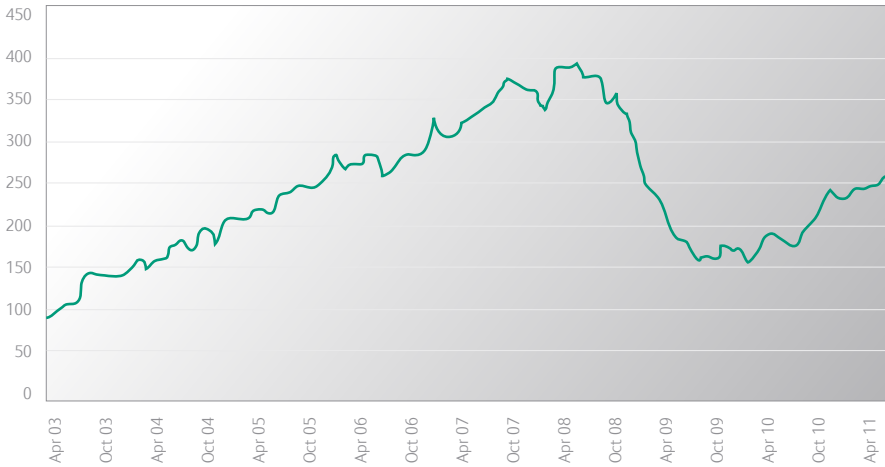
To stay at the forefront of developments in the industry, recruiters have to rapidly master advances in technology, whilst finding ways to develop increasingly sophisticated networking arrangements. As the employment market changes, so to do the tools and skills required to find the best talent available.

At every level this is a period of great challenge and significant opportunity - it's an exciting time to be in the business!

 *As the employment market changes, so to do the tools and skills required to find the best talent available.*

## Ambition Accounting Jobs Index

### Accounting Jobs Index - Seasonally Adjusted



### Notes on the Ambition Accounting Jobs Index

The Ambition Accounting Jobs Index continues to tell the story of the Accounting employment market and its activity trends - from the heady days of 2007 where the index reached 400, to the downturn in 2008/2009 where the market fell off dramatically.

In 2010 we see the pattern begin to change, trending upwards after a period of stagnation. In the first half of 2011 we can see that trend continue, with month on month improvement culminating in the index reaching 250 for the first time in several years.

This trend paints an optimistic picture for the year ahead, and reflects accurately the feedback we are getting from the market itself. Conditions are improving, confidence is increasing, and employment activity is on the way back up.

## Salary Guide - Financial Services Sector

Banking & Finance	Years of Experience	Annual Salary Range (AU\$)
<b>Operations Management</b>		
Head of Operations	10+ years	160K-200K
Manager	7 - 10 years	110K-150K
Team Leader	4 - 6 years	80K-110K
Analyst	2 - 4 years	50K-80K
<b>Performance Analytics</b>		
Manager of Performance	10+ years	110K-150K
Team Leader	7 - 10 years	90K-110K
Senior Analyst	4 - 6 years	80K-95K
Analyst	2 - 4 years	60K-80K
<b>Relationship Management</b>		
Head of Sales	10+ years	200K+
Relationship Manager / BDM	7 - 10 years	140K-180K
Assistant Relationship Manager	4 - 6 years	90K-130K
<b>Research</b>		
Head of Research	10+ years	250K+
Manager	7 - 10 years	140K-200K
Senior Analyst	4 - 6 years	100K-140K
Analyst	2 - 4 years	80K-100K
<b>Corporate Finance</b>		
Director/Head of Corporate Finance	10+ years	300K+
Associate Director	7 - 10 years	160K-200K
Senior Analyst	4 - 6 years	110K-150K
Analyst	2 - 4 years	80K-100K
Associate Analyst	1 - 2 years	60K-80K
<b>Corporate Actions</b>		
Head of Corporate Actions	10+ years	130K-160K
Manager	7 - 10 years	90K-120K
Team Leader	4 - 6 years	80K-100K
Analyst	2 - 4 years	60K-85K
<b>Portfolio Administration</b>		
Head of Administration	10+ years	110K-130K
Manager	7 - 10 years	90K-110K
Team Leader	4 - 6 years	70K-90K
Officer	2 - 4 years	50K-70K
<b>Treasury Operations</b>		
Head of Operations	10+ years	150K-200K
Manager - Derivatives	7 - 10 years	100K-130K
Manager - Fixed Interest	7 - 10 years	100K-130K
Manager - FX/MM	7 - 10 years	100K-130K
Team Leader - Derivatives	4 - 6 years	75K-95K
Team Leader - Fixed Interest	4 - 6 years	75K-95K
Team Leader - FX/MM	4 - 6 years	75K-95K
Officer / Treasury	2 - 4 years	50K-75K
<b>Equity Operations</b>		
Manager	10+ years	100K-135K
Team Leader	7 - 10 years	70K-110K
Settlements	2 - 5 years	55K-80K
Sponsorship / Bookings	2 - 5 years	55K-80K
<b>Compliance</b>		
Head of Compliance	10+ years	250K-300K+
Compliance Manager	7 - 10 years	130K-200K
Senior Compliance Analyst	4 - 6 years	80K-120K
Compliance Officer	2 - 4 years	60K-80K

Banking & Finance	Years of Experience	Annual Salary Range (AU\$)
<b>Risk, Audit &amp; Compliance</b>		
Chief Risk Officer	13+ years	350K-500K
<b>Credit Risk</b>		
Head of Credit Risk	10+ years	250K-300K+
Manager	7 - 10 years	120K-180K
Senior Analyst	4 - 6 years	80K-120K
Analyst	2 - 4 years	50K-80K
<b>Operational Risk</b>		
Head of Risk	10+ years	250K-300K+
Manager	7 - 10 years	130K-220K
Senior Analyst	4 - 6 years	100K-140K
Analyst	2 - 4 years	50K-80K
<b>Market Risk</b>		
Head of Risk	10+ years	250K+
Manager	7 - 10 years	150K-200K
Senior Analyst	4 - 6 years	100K-150K
Analyst	2 - 4 years	70K-100K
<b>Audit</b>		
Head of Internal Audit	10+ years	220K-280K
Audit Manager	7 - 10 years	130K-200K
Senior Internal Auditor	4 - 6 years	80K-120K
Internal Auditor	2 - 4 years	60K-90K

Accounting & Finance	Years of Experience	Annual Salary Range (AU\$)
CFO/Divisional Finance Director	15+ years	300K+
<b>Tax</b>		
Head of Tax	10+ years	250K+
Tax Manager	7 - 10 years	150K-190K
Senior Tax Accountant	4 - 6 years	90K-140K
Tax Accountant	2 - 4 years	70K-90K
<b>Financial Reporting</b>		
Senior Finance Manager	10+ years	170K-220K
Finance Manager	7 - 10 years	120K-160K
Senior Accountant	4 - 6 years	100K-120K
Accountant	2 - 4 years	70K-100K
<b>Management Reporting</b>		
Divisional Controller	10+ years	200K+
Planning & Analysis Manager	7 - 10 years	150K-200K
Senior Financial Analyst	4 - 6 years	110K-140K
Financial Analyst	2 - 4 years	80K-110K
<b>Product Control</b>		
Head of Product Control	10+ years	180K-240K
Manager Product Control	7 - 10 years	140K-170K
Senior Product Control	4 - 6 years	110K-130K
Product Control	2 - 4 years	80K-100K
<b>Fund Accounting</b>		
Head of Fund Accounting	10+ years	170K+
Senior Fund Accounting Manager	8 - 10 years	130K-170K
Fund Accounting Manager	6 - 8 years	110K-130K
Senior Fund Accountant	4 - 6 years	85K-110K
Fund Accountant	2 - 4 years	65K-85K

## About Ambition

### Ambition Finance

Ambition Banking & Finance specialises in the recruitment of financial services professionals in back and middle office roles, on a permanent and contract basis.

We have offices in Sydney, London, Hong Kong, Singapore, Melbourne, Brisbane and Parramatta, and we are able to reach outstanding financial services professionals in accounting, banking, funds, insurance, operations, risk, analytics, audit and compliance.



*With our knowledge, networks and expertise we have access to both active and passive candidates and exciting career opportunities with leading financial services organisations.*

*Simon Tobin*

*Managing Director – Ambition Banking & Financial Services*

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### More Information

For answers to your questions on market trends, salaries, retrenchments or grading please feel free to contact Ambition with the contact information listed on the back page or visit [www.ambition.com.au](http://www.ambition.com.au)

### Talent Services Team

The Talent Services Practice within Ambition Finance consists of a team of dedicated 'Talent Consultants' that are based across Australia. Providing specialist advice and assistance to finance professionals, our objective is to partner with you to "Build Better Futures" to ensure you have the necessary skills, knowledge and networks to achieve your future aspirations.

We manage and tailor our offering to a number of specialist network groups and offer:

- Career planning, appraisal support and interview guidance
- Networking events and talent development workshops
- Market newsletters, key trends and salary reports
- Key industry and client information
- Exposure to specialist recruitment Consultants

Specialist network groups include: 1st movers CA's, International Qualified Accountants, Audit, Risk & Compliance, Product Controllers, Fund Accountants, Banking and Operations, and more.

For more information on joining one of our specialist network groups and broader services offered by the Talent Services team contact Emma Collins – Manager, Talent Services on (02) 9249 5062 or [emma.collins@ambition.com.au](mailto:emma.collins@ambition.com.au)

## Other Services

### Ambition Technology

Ambition Technology, based in Sydney, Melbourne and Brisbane, is structured to mirror the IT departments of its National portfolio of clients, with three dedicated teams of consultants focusing on Applications, Business Information and Infrastructure.

When you need a resource we have the greatest exposure to the best available candidates in the market.



*We are actively involved in the Technology market, we know what's happening, where and with whom. You receive information to allow you to stay competitive and ahead of the curve.*

*Andrew Cross  
Managing Director – Ambition Technology  
andrew.cross@ambition.com.au*

### AccountAbility

AccountAbility is Australia's only specialist company which purely recruits in the accounting support sector.

We have established a network of thoroughly screened, skilled and experienced candidates within the accounting support sector that are immediately available to satisfy our clients requirements. Quality aligned with speed of service is at the core of what AccountAbility can offer and we fill 80% of temp roles over the phone and 90% of our perm roles within 6 - 8 working days.



*We have a business and a brand which talks specifically to our target market; understands what drives candidates in support roles to change job and most importantly how they like to be treated.*

*Ruairi Flynn  
Managing Director – AccountAbility  
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