

SALARY SURVEY: 2018

COMPLIANCE RECRUITMENT UPDATE

OVERVIEW: 2017 PROVED TO BE AN UNEXPECTEDLY BOOM YEAR IN THE LONDON FINANCIAL MARKETS WITH ALL OF THE LEADING INDICES REACHING RECORD LEVELS. THIS BUOYANCY WAS OF COURSE NOT AS MANY COMMENTATORS HAD PREDICTED, AND MANY FINANCIAL INSTITUTIONS HAD NOT THEREFORE FORMED CONTINGENCY PLANS TO PROACTIVELY RECRUIT TO REFLECT THIS.

Whilst the choppy waters surrounding the UK's exit from the EU have undoubtedly fostered an uncertainty, for many of our clients it is very much a case of business as usual. Although it is certainly true that many firms have opened or developed their mainland European offices in anticipation of a new regime, companies such as Deutsche Bank and SMBC are building new London offices – a sure sign of their commitment to the UK.

Regulatory compliance remained very high on the agenda during 2017. Both the market buoyancy and the ever increasing focus on corporate governance has assured that this continues to be a “hot-spot” within all regulated financial institutions. Surging financial markets have of course ensured that the sheer increasing volume of daily transactions have required ever greater vigilance. MiFiD2 (discussed below) not only diverted many key staff into its implementation, but has also engendered a radically altered regulatory landscape – so whilst those staff who helped implement MiFiD2 may now be back in their former roles, many of the key principles of it – such as transaction reporting – have created new positions as a direct result.

The permanent compliance market grew rapidly during 2017 and we experienced a record number of registered roles from our client base – key areas have included: surveillance and monitoring, regulatory affairs, product advisory and anti-financial crime. Additionally as compliance becomes an increasingly global sector there is exponential demand for candidates who

have practical knowledge of overseas regulations – in particular the SEC. Many of our clients seem to be increasingly looking at compliance as a global offering, rather than country specific. To this end we have also noted a perceptible demand for candidates who are fluent in the key European languages.

Aggregating all of the market data which we acquired during 2017, we saw salaries increasing by 16% when compared to 2016. It is indubitably the case that there remains a proverbial “war for talent”, particularly within investment banking and investment management (including both traditional and alternative managers). A candidate who is able to demonstrate both a thorough knowledge of the regulations, but also (and pivotally) an ability to offer pragmatic and sensible advice the firm, (whilst ensuring the highest possible regulatory standards are maintained) will always be in high demand. We have also witnessed clients seeking to differentiate themselves from their competitors – offering added-value benefits (such as occasional home-working) to allow them to attract the premium talent.

2018 has already been exceptionally busy, and the latest policy initiative - GDPR - whilst not being a key compliance oversight function, has undoubtedly required considerable resourcing, and input, from compliance. All of the data which we have gained leads us to predict that compliance recruitment will grow still further over the course of the year. Even if the financial markets should wane, this growth is unlikely to slow down through the year.

COMPLIANCE

JOB TITLE	0-3 YEARS	3-5 YEARS	5-7 YEARS	7-10 YEARS	10 YEARS +
HEAD OF COMPLIANCE	150 - 250K				
DEPUTY HEAD OF COMPLIANCE	120 - 150K				
MLRO	120 - 200K				
PRODUCT ADVISORY	40 - 75K	50 - 85K	85 - 100K	100 - 110K	110 - 130K
REGULATORY AFFAIRS	40 - 65K	50 - 75K	60 - 80K	70 - 85K	85 - 110K
MONITORING/ASSURANCE	35 - 50K	45 - 65K	60 - 70K	65 - 85K	85 - 120K
TRADE SURVEILLANCE	35 - 50K	45 - 65K	60 - 70K	65 - 85K	85 - 110K
CENTRAL COMPLIANCE	30 - 40K	40 - 50K	50 - 65K	65 - 75K	75 - 100K
CONTROL ROOM	30 - 40K	40 - 50K	50 - 65K	65 - 75K	75 - 100K
TRAINING & COMPETENCE	35 - 45K	45 - 55K	55 - 60K	60 - 70K	70 - 90K
FINANCIAL PROMOTIONS	35 - 45K	45 - 55K	55 - 65K	65 - 75K	70 - 90K
DISTRIBUTION	40 - 50K	50 - 60K	55 - 65K	60 - 75K	75 - 100K
AML ADVISORY	30 - 45K	45 - 55K	50 - 65K	60 - 70K	70 - 100K
SANCTIONS	35 - 50K	45 - 65K	60 - 70K	65 - 85K	85 - 110K
ABC	35 - 50K	45 - 65K	60 - 70K	65 - 85K	85 - 110K
FRAUD	30 - 45K	40 - 60K	55 - 65K	60 - 80K	80 - 100K
TRANSACTION MONITORING	35 - 50K	45 - 65K	60 - 70K	65 - 85K	85 - 110K