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# RiskMinds International



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**INVITED SPEAKER AT  
RISKMINDS**



In December 2019 RCQ Associates' founding Director Edward James was invited to speak at the RiskMinds International conference on four key topics. Most notably on various issues related to staffing, given RCQ's market leading presence in international Risk, Credit & Quantitative hiring. The four key topics that were discussed during the conference were:

- **Staff Attraction**
- **Staff Retention**
- **Diversity & Inclusion**
- **The Route to CRO**

The RiskMinds International conference was attended by over 700 risk professionals and as the only recruitment organisation invited to speak, we were uniquely positioned to discuss these topical issues with a wide variety of individuals across a broad spectrum of organisations. Due to the fact that RCQ specialises in local and international hiring of technical risk specialists, the key points covered should be appropriate to all and we hope some of the suggestions below may be of use.

# RiskMinds International

# Staff Attraction (Hiring)

## Ensuring you have a well written job spec is critical.

Have you clearly outlined the key selling points of the role and your firm. If a candidate is not aware of you, your team or company, this is the first opportunity to engage them. Many firms miss this important step, and this has an impact on the quantity of candidates who are willing to progress to interview stage. In a candidate short market where all firms are competing for top talent, this first impression is critical. We would encourage you to consider whether if you were reading the job description for the first time, you would be interested?

## Are you paying fair market rates?

Is there anything you can do about this and how constrained are you? Have either you or HR spoken to any industry contacts? If your required skill set is in a niche area, starting a search with the right salary bracket is essential.

## Be honest and open in an interview.

You should highlight the positives of the role, but also be transparent about any negative points which someone will inevitably discover after joining. It is costly and time consuming for someone to commence a new role and leave

shortly after starting, for matters which could have been addressed during the interview process. We find that interviewers who are honest about the pros and cons and who present a balanced view, receive significantly more positive post interview feedback than those who are overwhelmingly positive.

## Can you offer flexible working?

Whether this be hours or location, this is increasingly becoming a deciding factor when people are making a move.

## Clearly outline the position and offer a chance for questions.

All too often we see busy managers focused on why someone should join their firm and do not outline the role itself in sufficient detail. If you are hiring for a skill set which is short in supply, you should

ensure that you clearly outline why this role may be attractive to the right person.

## Give interviewees an indication of what 3-5 years at your company could look like,

or at least a general outline of what their prospects could be. We often hear about the interviewee's 3-5 year plan, but a possible career trajectory is often not highlighted.

## Have you asked your team and contacts whether they know anyone appropriate for your role?

As a hiring manager you are likely to have developed a good personal brand and it can pay dividends to leverage your contacts.

## Are you partnering with the right recruiter?

As a specialist risk recruiter, we can clearly see the value added by working with someone who has a strong domestic and international network, in addition to a detailed technical understand, gained from

**700**  
**Risk Professionals**  
**attended the**  
**RiskMinds**  
**International**  
**Conference**



hiring for similar roles throughout the year. When we hear from firms who have used generalist agencies that lack the specialist knowledge necessary to add-value, the result is often a negative experience. Partnering with the right recruiter ensures less wasted time reviewing and interviewing candidates who aren't the right fit; enabling you to focus on your business priorities. A good recruiter will be actively headhunting on your behalf to find the best people and will be well placed to promote both your role and your organization, when talking to candidates about why a move may be beneficial for them.



# Staff Retention

**Flexible working** is increasingly being cited as a major reason for people looking to leave, particularly when they aren't in roles where they are required to meet people on a day to day basis. With millennials becoming increasingly prevalent in the workforce, flexible working is starting to become the norm. Offering flexible options can be a cost-effective way of retaining top performers.

## Clear progression prospects.

Progression opportunities are often discussed when someone has been offered another role or at an annual appraisal. To retain the best staff, outlining targets for personal development linked to clear and measurable goals is imperative. Consulting firms often excel at this and offer regular promotions on a meritocratic basis. We find people stay longer when they have clear goals laid out and they understand what they are aiming for.

## Fair pay. Why should stability not be rewarded?

We see an average pay rise of 23% when someone leaves one firm for another. While we understand that in many instances pay brackets may be outside of your control, if you sense that some of your team are paid below market rates, think about trying to address this

before it is too late. We regularly see people starting a job search on a below market rate salary, only for them to receive a counter offer matching market rates when they resign. Typically, once someone has decided to leave due to salary issues, they rarely stay at the firm or accept a counter offer as have already become disillusioned with the status quo. Trying to negate this by offering fair pay reviews where possible is a great way of preventing the loss of top talent. A good technical specialist recruiter should also be able to provide information on "market rates".

## Make time for your team.

We are all busy and making time for our team in addition to our day to day job can be a tough balancing act. Often a short 121 meeting over a coffee or lunch when possible can be beneficial for team morale. Understanding people's concerns and how they feel is critical. If you don't have time to do this, you should try to have a deputy who can.

## Is your team's workload acceptable?

We all understand the need to work longer hours when deadlines are approaching, but over the long term this isn't sustainable and often results in the loss of the best performing individuals. Consider

and regularly review whether your team is the right size for your current needs? Conversely, the brightest and most upwardly mobile team members are likely to be the first to become demotivated when the workload is too low. Ensuring that additional projects or training are on offer and clearly highlighted during quieter periods is critical.

### **Do you feel that your reports are content with their overall role?**

If you feel that they may not be, is there anything you can do to help this (within reason). Automating, or offshoring / passing on administrative work to non-technical teams can often be beneficial for morale.

### **Projects and Training:**

Upskilling your team can be a cost-effective way of keeping them happier for longer. Bright people want to develop and will often put a premium on this, particularly in the earlier stages of their careers. Understanding what training or professional qualifications your reports are interested in and providing it, can be as rewarding as a pay rise. It is likely that they will be keen to stay in a role for a longer period of time if they are developing professionally and can see how this will benefit their future career path.

### **Why are staff leaving?**

You should endeavour to always conduct a formal or informal exit

interview with any leavers. There could be underlying issues which may not be immediately obvious, enabling them to be resolved (where possible) and potentially preventing further departures. Often you or HR may not be told the real reasons for departures when a candidate resigns, so any additional information you are able to glean from this process can be very helpful.

**A salary increase may seem like the easy route to take to keep your reports happy. Try**

to find out what really motivates them and where possible try to find solutions that match their values. Not everyone is solely motivated by financial reward.

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# Diversity and Inclusion

## What does diversity and inclusion mean to you, and why it is important to be aware of this?

An understanding and awareness of this is the first key step. There are clear benefits of people coming from diverse backgrounds and who can give different perspectives. Do you feel as a manager you are inclusive with all your staff and can you do anything more to make all your team feel included? Try to think of any ways you can lead from the front to create a positive culture.

## Diversity and inclusion can cover anything from

gender, ethnicity, religion, sexual orientation, or having any different background to others leading to a feeling that you are somewhat different. The differences may not be obvious to you, but a key part of being a successful leader is to ensure your team are supported, included and to provide a platform for all to feel comfortable in, working in a positive environment. Firms who have done well in addressing a lack of diversity

have had clear policies which have been led from the top down, with understanding and awareness across the company. A clear plan on your website (usually the careers / "join us" section) is critical and will show candidates that your firm takes this industry wide issue seriously.

## We are increasingly seeing "return to work schemes"

which have been mainly targeted toward mothers who have been out of the workforce but are also relevant for anyone who has taken a career break. Feedback on the quality of people participating in these schemes has been very positive and firms who provide them tend to be looked upon favourably by potential candidates. The existence of schemes such as this creates an inclusive working environment.

## Issues with good ideas not filtering down.

We often see firms who have good intentions when it comes to firm-wide policy, but this needs to be understood and encouraged across all hiring decision makers. Too often good policies fail when self-interest gets in the way and when a hiring manager decides they want a replacement who closely replicates any leaver, or is similar to those already in the team. Consider how a varied team could complement and support each other, providing differing views and perspectives.



## Advertising in the right places.

Are there any networks or job boards which may not be immediately obvious to you, but may be an interesting source of candidates?

## Finding a strong and diverse graduate talent pool.

You can take a proactive approach with hiring at junior levels where the candidate pool will be broader. Having a diverse graduate pool is often an easy first solution to finding people who can progress through the firm. This also needs to be supported by a positive working environment where all staff feel comfortable and have the desire and ability to build a longer term career.

## Creating a culture where people want to work.

The ability to work from home when business needs allow it, can make a major difference to your team's quality of life without sacrificing the quality of work. We have seen firms retain good staff by offering flexibility to those who have had difficulties with commuting for a variety of reasons.

## Put yourself in other people's shoes.

An example discussed was that of one manager who's wife had looked after a family versus a manager whose wife had worked. The manager with the wife who had worked was much more understanding of the sacrifices

made by a working mother and was considerate of placing evening meetings in the diary. This created a far more positive working environment and enabled the retention of a strong member of his team.

## Women in leadership or similar schemes

can encourage those from under-represented backgrounds to consider leadership roles. Some of your team may not see people at a more senior level that they can identify with and this may reinforce the view that progression to senior management may not be possible for them. To support those from under-represented backgrounds to progress, establishing a more formal mentoring network can be of benefit.

## Encouraging mothers and fathers to return.

As a manager you should ensure you are in regular contact with anyone on maternity or shared parental leave. All too often we see mothers returning from maternity leave to find that there are large numbers of changes which they have not been informed of. Increased contact often results in reduced dropout rates post maternity leave.

## Consider how you decide pay rises and promotions.

Research suggests that certain groups (including males) are much more likely to push for promotions and pay rises and this is in part a reason for their faster career trajectory. Promotions and pay rises should be meritocratic.



# Route to CRO (career progression)

## **Making the transition from a technical expert to manager and strategic expert.**

A technical background is key in gaining trust and respect, but we see many people who have not developed the leadership skills needed to manage large teams. You may feel too busy with the day to day needs of your job but try to work out how you can work on building relationships and invest time in developing leadership skills. This could be anything from reading articles and books, to speaking to those who you know for advice, to training courses, etc. Developing your softer skills is vital to make the move to senior management.

## **Have you spent enough time thinking about your career plans and goals?**

If not, you should think about where you want to be and what you need to do to get there. The obvious example would be to

discuss this with your manager, but also other senior contacts who may be able to provide advice.

## **Networking.**

Are you visible within your firm and your industry? We often hear suggestions that people have been promoted due to their network. Increasing your network within a business and across the risk industry can have a positive effect on your career. Attending conferences, industry events or senior management meetings where possible, can be valuable and improves your credibility and visibility as a professional within your field. Try to make yourself known to others and exchange details.

## **Linkedin.**

While professional networking tools such as linkedin are not perfect, managing your professional profile and "personal brand" is an important marketing tool which often gets neglected. A

more detailed and well-connected profile will mean that you are on the radar and more visible to more people. This has positives as well as negatives (unwanted sales calls), so it's very much a personal judgement, but on the whole it is a useful tool to use.

## **Flexibility on location.**

If you are able to be flexible on location, we have seen people with international experience progressing more quickly, due to access to a wider pool of jobs. This is of particular significance particularly if you are open to locations where the local talent pool may be less well qualified.

## **Diverse skill set.**

Do you want to become a technical expert in one area, or can you build knowledge in other related areas? In senior roles, a broader skill set is beneficial given you will often have individuals reporting to you who perform differing roles. The ability to understand their day to day work can improve your credibility as a manager.

## **Progressing to CRO from Operational Risk.**

Typically, we see CROs come from credit or market risk backgrounds. If you are looking to make the move from operational risk into a broader senior risk position,



you should look at how you can leverage your experience and spend time working in related areas. This may include working closely with traded products or increasing your exposure to high profile regulatory projects across the business. Gaining experience in other risk disciplines is likely to be highly beneficial.

**Broad experience earlier in your career** can come with lower pay rises than some peers who specialise in one area, but the broader experience will benefit your knowledge base in the future and can lead to more rapid progression to senior management.

**Ahead of the trend.** Have you identified any areas which may be increasing in size and visibility and can you upskill yourself before those areas become saturated with specialists? This could be regulatory topics or risk sub-disciplines.

**Training & personal development.** You should consider whether you should pursue any relevant qualifications – often an MBA or Masters are looked upon favorably, as are relevant risk qualifications, although there is no easy substitute for hands on risk experience.

**Don't settle for just ok.** You should make sure you can see personal development or

career evolution in your role. If not, work out an action plan to help you develop.

**Find a mentor.** Have you seen someone make the move that you aspire to? If so, speak to them and ask for advice. Often people are quite happy to help and provide suggestions that could benefit your future progression.

**Think about what leader you want to be.** Look at your firm's top business leaders or those in other non-Financial Services industries/disciplines that you are interested in and who have written about their route to the top. Reflect on any points which may be relevant to you.

**Be vocal about your achievements.** A linkedin profile, CV, or internal company bio can be a good place to list your achievements – take pride in what you have done and make sure you are able to “market” your experience well.

**Communication is key.** Both vocalising what you want for yourself but also what you would like to see from those around you. Clear instructions and a vision that galvanises people behind you are important for any leader.





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