



Q1 2024

# Foreword



In 2023, economic uncertainty caused candidates to hesitate to change positions.

Despite expectations for easier tech talent access, hiring challenges persisted as top candidates secured jobs quickly, and those in secure roles hesitated in uncertain times.

Looking to 2024, **the UK foresees economic challenges amid elections and geopolitical tensions**, highlighting the need for agility.

Despite market fluctuations, optimism prevails, and **the market is in a more favourable position entering 2024 than it was in 2023**.

The demand for talent will intensify, emphasising the importance of a strong hiring strategy to stay competitive.



**Greg Coleshill**  
CEO, InterQuest Group

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# Meet Our Experts



## Rob Sugden Managing Director, ECOM

Rob is ECOM's Managing Director for Manchester. He leads our teams across the North & Midlands operating in Digital Tech, UX & Design, Product & Project, Marketing & eCommerce and Data. He's had over 19 years of recruitment experience in Manchester, building an extensive network.

## Hiren Vekaria Director, ECOM

As Director for the Technical Team at ECOM, Hiren manages the contract and permanent recruitment for a range of Software, E-commerce, FinTech & Digital companies and supply them with exceptional candidates as well as managing a team of consultants.

## Alex Onoufriou Managing Director, evolve

Alex is a senior recruitment leader who has built new recruitment functions and enhanced existing ones. Alex has run RPO solutions both from an in-house and supplier side and has worked with some of the most innovative recruitment technologies in the market.



## Anna Massey Managing Consultant, InterQuest Group

Anna, based in Amsterdam, drives InterQuest's client base growth. She specialises in assisting fast-growing fintech clients in digital assets, crypto, banking, cards, and payments. With a proven track record, Anna builds senior risk leadership teams and wider risk teams, enabling clients to scale rapidly with top talent.

## Michelle Khan Director, InterQuest Group

Michelle is the Director of InterQuest's Risk, Regulation and Compliance practice. Michelle has spent the last 15 years investing in her reputation within risk and compliance in financial services.

## Kam Bhangu, Managing Director, InterQuest Group

Kam excels in building and managing successful sales teams in the technology sector, particularly in senior roles. With 18+ years of recruitment experience, Kam has shaped careers and provided invaluable advice to clients across diverse sectors, from SMEs to Blue-Chip companies. He prioritises placing the right people in the right roles, fostering long-term relationships.

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# Inflation: **UK rate eased** over the year

# 4.2%



UK inflation rate **fell to 4.2% in Nov**, a drop from **6.7%** in Aug-Sept.

Core inflation down to **5.1%** from **5.7%** in Oct.

**Inflation to fall fast in 2024** helping UK economy to 'turn a page', PwC predicts

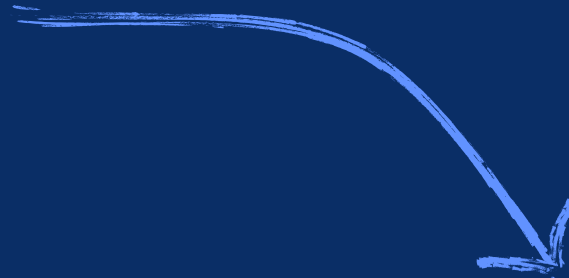
# Resilient business confidence holds despite December dip



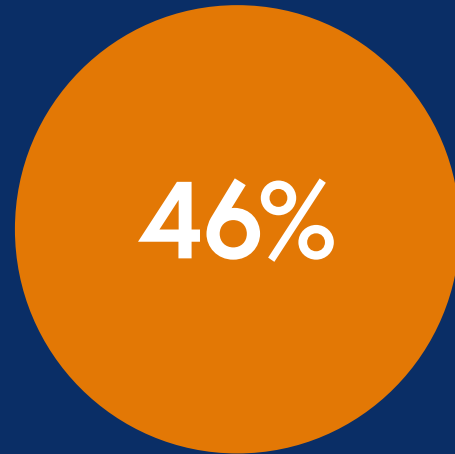
December saw a 7-point drop in business confidence to 35%, the lowest in 3 months. Driven by increased caution about the broader economy.

Despite this, confidence is higher than a year ago (17%) and above the long-term average (28%). The positive trend aligns with falling inflation, energy prices, and hopes of stabilised interest rates.

35%



# Appetite to recruit remained positive



Despite a slight decline in recruitment optimism, **46% plan to hire** (down from 51%), while only **17% expect redundancies** (up from 16%).



The overall net balance at **29% remains positive**, indicating continued optimism and an improvement from the previous year.



# Wages **are still climbing**

**Annual growth** in regular earnings (excluding bonuses) was **7.3%** in August to October 2023, **this growth continues to remain strong** but is not as high as in recent periods.

Real pay shows a positive annual growth rate.



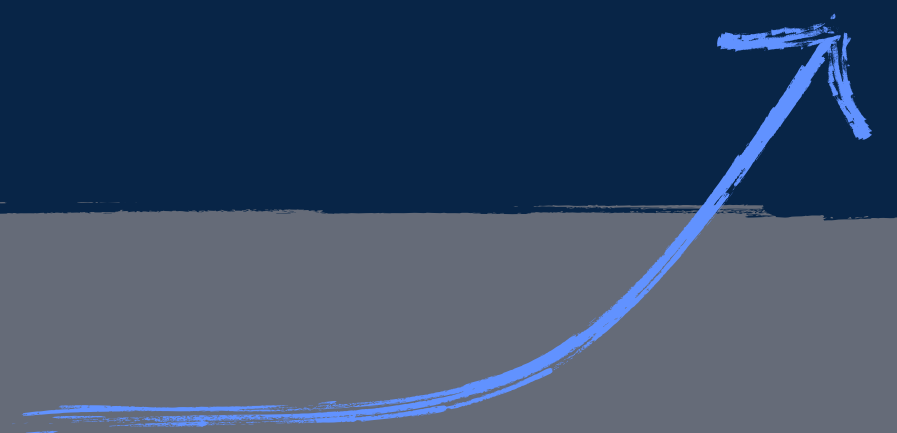


# Pay expectations still above pre-furlough levels



Firms prioritise retaining staff, with elevated wage growth expectations.

More anticipate a 3-4% pay rise, fewer expect lower rates. Stability in those expecting 4% or more, and a decrease in those expecting 5% or more compared to a year ago.



19% anticipate 4% or more **4%+**

36% anticipate 3% or more **3%+**

# Confidence down but healthier than previous year



Confidence highest in the **North East (48%), and London (38%)** despite a significant drop (-18 points) in London.

**The North West (-22 points) and Yorkshire & the Humber (-17 points)** also saw declines, placing their confidence levels slightly below the UK average.

Overall, confidence fell in two-thirds (eight of twelve) regions/nations.





# Month-on-month trends



3/12

of the UK's regions saw a month-on-month  
**increase in confidence in December**

# Tech industry rebound in 2024?



Jan 2023 hit hard with the **biggest tech layoff numbers** since the pandemic.



Going into **2024** there is **still uncertainty**, but **layoff numbers are at much lower** levels.

UK tech investments have certainly slowed down compared to 2021. However, the UK remains Europe's tech leader by some margin.

# What our experts say

New and exciting businesses are thriving, those who avoided overleveraging in the past two years are still expanding today. The industry is sizable, robust, dynamic and we are optimistic about the future.

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Director, ECOM

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**Rob Sugden**

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In 2023, tech layoffs have declined. Candidates are now less willing to leave stable jobs. We attract them with our clients' EVP and culture. The aftermath of layoffs at other companies can make our clients stand out. Retaining staff ensures loyalty through challenging times.

# Agility is key: FSI in 2024



2024 will likely bring economic challenges, key elections are looming amid geopolitical tensions. Despite challenges, there is still optimism.

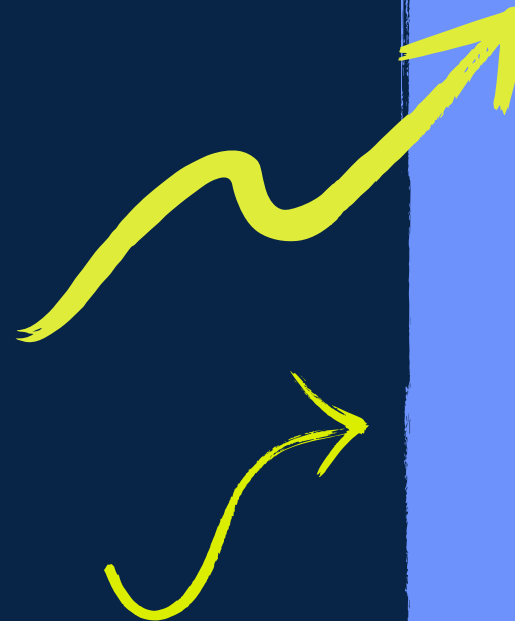
Financial services face tech turbulence:

**Generative AI**

**Cloud Transition**

**Heightened Fraud**

**Industry Boundary Blurring**



Leaders must **embrace agility** in 2024 for a competitive edge. Investment now crucial for future advantage.

**Agile working is vital** to attract global talent together with upskilling as automation transforms roles.

# What our experts say

Agile FinTechs are outpacing traditional Financial Institutions in the talent acquisition race. As traditional finance firms reduce their hiring pace, candidates are turning to FinTech for its more contemporary working arrangements. The demand for Chief Risk Officers (CROs) is on the rise as organisations aim for stability and agility in the face of dynamically changing economic conditions.

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Managing Consultant, InterQuest Group

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**Michelle Khan**

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Unrest in the FinTech market stems from candidate dissatisfaction, encompassing issues such as insufficient pay relative to experience, challenges securing desired roles with adequate compensation, job insecurity, subpar management, excessive workload, and doubts about market reputation and sluggish decision-making. Proactive clients tackling these concerns find it easier and more cost-effective to attract and retain talent.



# Are you offering what talent wants?



70%

A successful EVP can decrease annual employee turnover by almost **70%**

30%

...and increase new hire commitment by nearly **30%**

50%

When you invest in developing and delivering a strong EVP, you are **50%** more likely to attract talent.



Our experts will benchmark your Employee Value Proposition (EVP), review talent competitors in a personalised workshop, and provide expert insight and opinion to help to you secure the best talent in the market.

We're offering a limited number completely free to our valued MIQ subscribers.

Book yours now to ensure you don't miss out

**Greg Coleshill**  
CEO, InterQuest Group

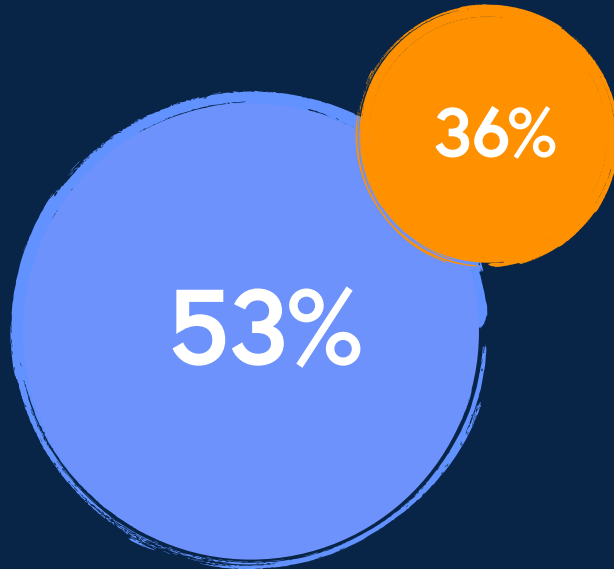






# Events: A solution to attract passive talent

# Why events?

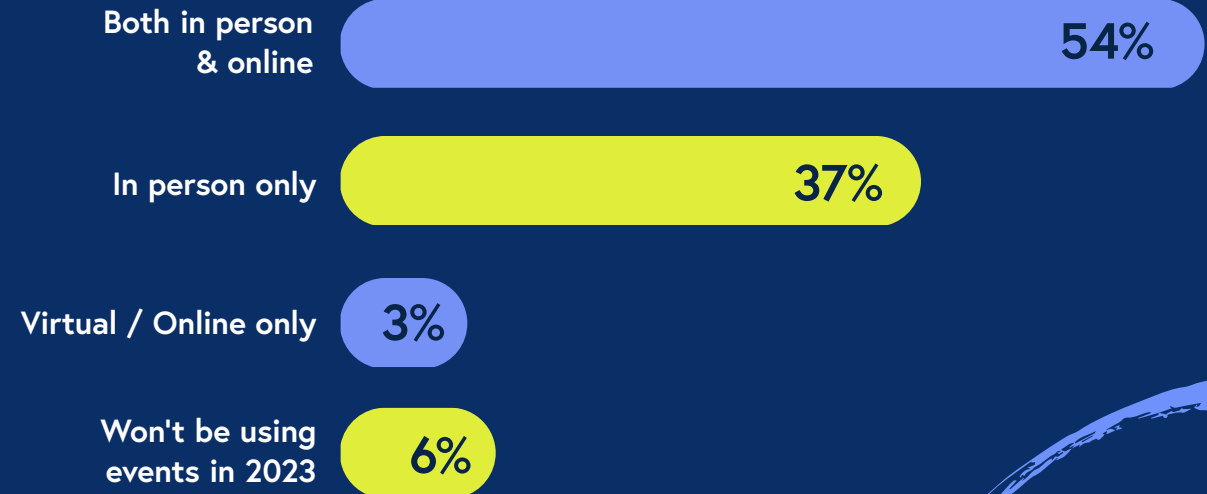


53% of recruiters used events & careers fairs in 2022

Up from 36% in 2021

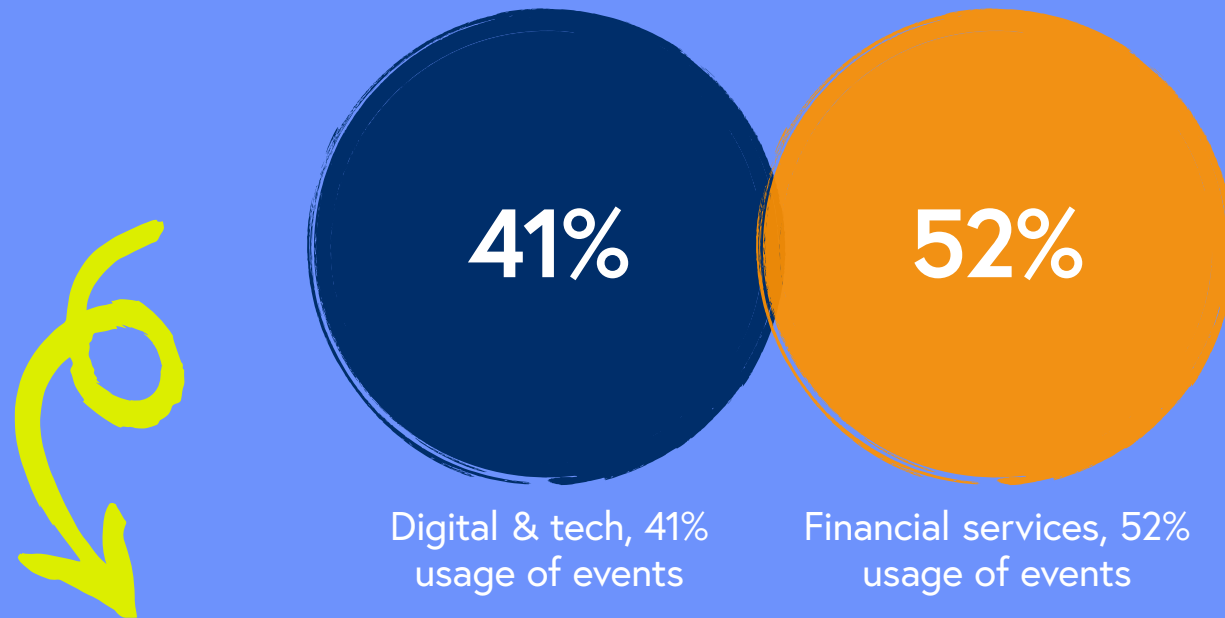


In-person events only (37%, up from 20% in 2021), with a reduction in those using online only or a mix. **The trend appears to be toward getting back to face-to-face!**





# Job ads are not enough



Events can unlock the gates to find and nurture top-tier passive talent.

# We do it. Do you?

Architecting Manchester, ECOM



The Risk Roundtable, London, InterQuest





# The insights in this report are just the start

If you would like to book a free workshop for more tailored insights on your organisation and talent strategy, please click the link below

Click here to **book your free workshop**



# Get in touch

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