

## Risk and Compliance - Market Update

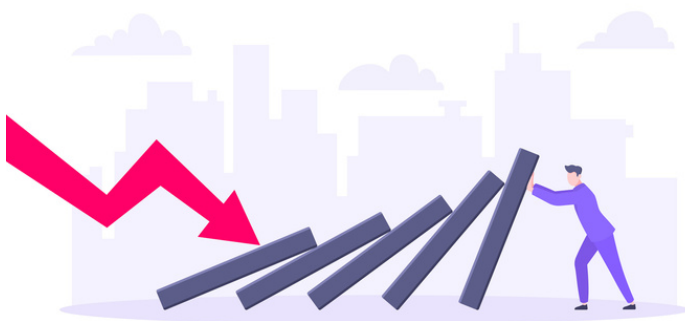
2023 has been a seesaw year with significant levels of **change** and **disruption**.

Organisations continued to re-prioritise projects and key activities to reflect lower spending. Across the board, there has been a general sense of conservatism and cost cutting as businesses react to the pressure of the macro environment.



From a recruitment perspective, leaders are increasingly focused on attracting the “right” candidates, particularly with the current cost pressures. There is a clear emphasis on communication, stakeholder engagement, influencing skills, practical thinking and commercial acumen as key attributes.

Candidate supply levels have been higher due to redundancies and restructures; however, this is predominantly at the Senior Manager level and above (\$180K to \$250K+). Market activity and demand however is high at the Manager level and below i.e., <\$160K creating a mismatch in candidate supply vs demand.



*One thing is for sure...  
2023 has tested the resilience of  
organisations, leaders and  
candidates.*

### Market Sentiment

There is definitely a sense of fatigue with leaders and candidates looking forward to the end of the year, taking a break and starting afresh in 2024.

Candidates are adjusting to disruption and change and there is an increasing level of anxiety as pressure from the top gets passed down.

We are noticing plenty of candidates passive in the market and open to discussions with push factors being poor leadership and communication, along with a lack of clear direction from the top.



*The “**HALT**” on recruitment with the larger institutions particularly in the financial services sector is taking its toll on the volume of available roles in the market, leaving plenty of candidates on the sidelines.*

Leaders are increasingly supplementing resource constraints and cost pressures with consultants and contractors. There continues to be a shift towards the smaller and mid-sized consulting firms as organisations look to balance day to day priorities as well as strategic objectives.



There is greater awareness of the importance of good governance, risk and compliance practices as we continue to see breaches and incidents in the public domain.

Governance, risk and compliance functions outside of the financial services sector are growing as these sectors look to uplift their risk and compliance maturity. Candidate supply for roles in these sectors is starting to dwindle.

### **Remuneration levels**

Salaries have been consistent across the board and as always, good candidates are sought after and well remunerated at all levels.

There is a higher demand for candidates at the Senior Consultant and Manager levels with greater premiums being offered.



This is creating a challenge for organisations looking to recruit and retain talent at these levels as there is an “**illogical equation**“ between remuneration expectations and depth of experience.



At all other levels, there has been minimal movement, and we expect that this will continue into the new year.

Many candidates that have found themselves in the market due to redundancies or restructures are finding remuneration levels below what they have traditionally been used to.



We believe this is due to the lower volume of roles in the market and organisations cost pressures. On the other hand, the risk and compliance professions have been well remunerated over the past few years.

Senior candidates are more flexible with salary levels in the current market as the reality of market conditions hit home and there is also a greater awareness of the competition.

## THE YEAR AHEAD

The reality is that the risk and compliance profession is not an area where ongoing cost cutting is sustainable. Regulatory pressures and the increased awareness of good governance, risk and compliance practises will continue to maintain demand for risk and compliance professionals in 2024.



## Themes and Predictions

Budget constraints and cost pressures are stretching risk and compliance functions, and we expect that there will be clearer gaps emerging which will lead to increased recruitment activity.

Macro conditions will continue to keep businesses and leaders conservative for the early part of 2024, however we believe this will shift as the new financial year emerges.

As hiring managers struggle to secure the right “quality” of candidate to fit into existing budgets, we will see a greater appetite for more experienced candidates on a part time basis. Hybrid resourcing utilising consultants or contractors in conjunction with permanent staff will continue.

It will continue to be a challenging market for candidates in the financial services sector to secure their next role, particularly at the Senior Manager level and above as demand continues to be low at least for the first half of the year.

The push to bring workers back into the office will contribute to greater levels of turnover as candidates seek out greater levels of flexibility and autonomy.



*In summary, we believe 2024 will be a year of ongoing adjustments for both businesses and candidates as everyone adjusts to the new normal as we “**keep on keeping on**”!*



**One size does NOT fit all.**  
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