



Oakleaf Partnership :

HR Landscape Overview: Financial and Professional Services Markets in London

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“Proudly redefining the recruitment experience one person at a time.”

HR Landscape Overview

Financial and Professional Services Markets in London

Market Overview

The HR landscape in London's Financial and Professional Services (FSPS) sectors experienced a tight job flow throughout 2023, particularly in permanent hiring, with project-based roles driving temporary spikes, especially in HR transformations. By the first half of 2024, job flow has stabilized, reflecting cautious optimism as the market recovers from the impacts of economic uncertainty and hiring freezes.

Hiring Trends

Permanent vs. Interim Hiring:

There has been a 50/50 split between interim and permanent opportunities, with interim day-rate work representing up to 20% of requirements. There's growing confidence in hiring outside of IR35 regulations, particularly for project-based interims, a notable shift compared to previous years.

Key HR Disciplines:

45% of vacancies in FSPS are generalist HR roles, from Assistant to Head of HR levels.

20% of roles were focused on recruitment, showing a 40% increase in experienced hire recruitment roles in 2024. Early careers hiring also surged.

Sector-Specific Insights

Banking Sector:

20% of HR roles were in the banking industry, with a large proportion (60%) being interim roles. Mid-sized banks drove this hiring rebound following headcount reductions at major financial institutions.

Law Firms and Insurers:

These sectors accounted for 20% of job flow, driven by strong performance in 2023, which allowed for continued investment in HR functions.

Management Consultancies:

Job opportunities in this sector dipped significantly as firms dealt with redundancies and redeployments of consultants into HR roles.



Skills in Demand

HR transformations in FSPS are pushing for the development of more strategic and data-driven HR functions. There is increasing emphasis on AI integration, flattening hierarchical structures, and more globalized, outsourced operating models. Consequently, HR candidates are expected to have problem-solving skills alongside expertise in data analytics and creative workforce management.

Market Dynamics and Key Themes

Competitive Candidate Market: The competitive nature of the job market and cost-driven risk aversion have extended time-to-hire processes, often leading to cancellations of mandates.

Tentative Recovery: Business deals improved in Q1 2024, and City bonuses were better than anticipated, contributing to improved candidate and client confidence. There's an increase in active talent, fewer job seekers immediately available, and firms moving from hiring freezes to replacing attrition and investing in new roles.

Flexible Hiring: As the market stabilises, companies are showing more flexibility on salaries and day rates, speeding up time-to-hire and attracting the right talent.

In summary, the HR market in London's FSPS sectors is in a tentative recovery with increasing vacancy numbers, more flexibility in hiring terms, and growing demand for HR professionals with both strategic and technical expertise. As transformations continue and firms recover from economic challenges, hiring activity is expected to further stabilize, particularly in banking, law, and insurance.

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