



JCW

# Governance Market Report: Audit 2018



Your insight into the finances, incentives and movements of a **niche** recruitment market.

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## Need more Information?

If you have a bespoke market enquiry or need further clarification on any of the information in the following pages don't hesitate to give us a call **646 934 8400** or email us at

**[info@jcwresourcing.com](mailto:info@jcwresourcing.com)**



# JCW. Trusted by Talent

JCW is a specialist provider of governance and technology professionals to the financial services, consulting and technology sectors. Our focus is on providing a quality service in a niche sector, finding the best candidates to fill your needs.

It's been a successful year for JCW with growth across all business units, sectors, and teams. We've signed up a number of new clients and maintained our focus on quality. Our teams have expanded both in volume and skillset and we're looking forward to a prosperous 2018.

**103%** JCW GP growth from 2016 - 2017

**22.5%** Average fee size for JCW client

**52%** JCW headcount growth 2017

**98%** JCW placement volume growth 2017

**45%** JCW CV to IV ratio 2017

**52%** JCW 1st IV to 2nd IV ratio 2017

## JCW. Verticals

### Team Structure

#### Risk Management:

Credit Risk  
Market Risk  
Liquidity Risk  
Treasury/ALM  
Quantitative  
Analytics/Modelling  
Actuarial  
Change Management  
Market Risk  
Operational Risk  
Counterparty Risk

#### Audit:

Internal Audit  
External Audit  
IT Audit  
Assurance  
Product Governance  
Accounting  
Tax  
CPA  
Internal Controls  
Cyber Audit  
Governance Audit

#### Compliance & AFC

Compliance  
Regulatory Risk  
Monitoring  
Advisory  
Control Room  
KYC & Due Diligence  
Regulatory Liaison  
AML/BSA  
Sanctions  
Fraud/Fraud analytics  
Investigations

#### Credit & Lending:

Credit Analysis  
Credit Policy  
Credit Approval  
Operations/Processing  
Portfolio Management  
Relationship & Branch  
Management  
Loan/Credit Admin &  
Review  
Underwriting  
Cash Management

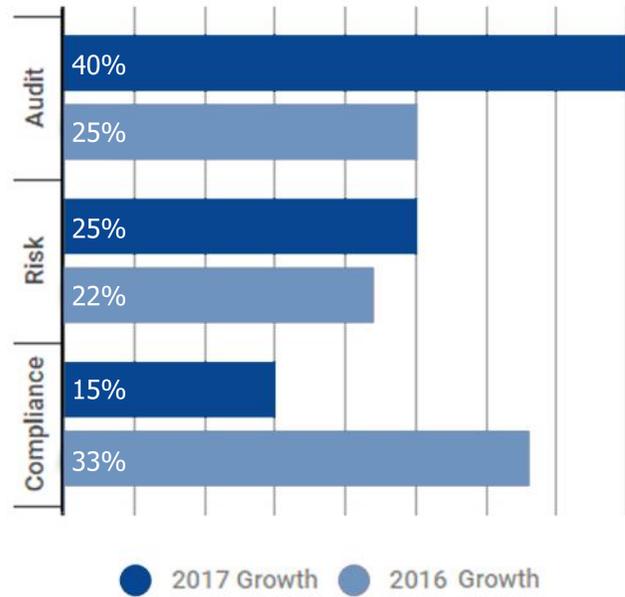
# The year in governance

**2017** was another growth year for the governance market and thus far 2018 has been no different. Whilst audit has by far been the busiest sector there's been solid growth in risk disciplines, most notably market risk, treasury services and ALM.

The only quieter space has been compliance which is likely a result of the current administration's stance on deregulating the market. That hasn't stopped the intake of contractors in the space, particularly for AML, sanctions and look back projects, with many organizations still under heavy scrutiny from regulators.

Many firms are confident about low attrition rates after a profitable year, bonuses are looking strong with the exception of a few larger firms. With profitability comes growth and continued expansion is expected in all markets.

## A growing market:



Over the past five years the candidate population in governance has grown rapidly but not enough to meet demand. Last year our biggest growth area was audit, with needs growing almost 40% year on year. Whilst risk was consistent, compliance slowed significantly from its 2016 33% growth.

## National Salaries at a glance:

Seniority	Compliance	Risk	Audit
Entry Level	\$65,000	\$68,000	\$63,000
Associate	\$85,000	\$87,000	\$82,000
AVP	\$102,000	\$111,000	\$93,000
VP	\$150,000	\$167,000	\$155,000
Director/SVP	\$185,000	\$182,000	\$170,000
Head of	\$220,000	\$241,000	\$210,000
C-Suite	\$275,000	\$310,000	\$282,321

This data was collated from around 65,000 governance professionals in financial services and averaged out to the nearest \$1,000. On average this year, salaries have gone up across the board by around 4% from 2016.

# Audit: Retail and Community Banking.

JCW works with a number of retail organizations across the country. There's an interesting mix of large multinationals and smaller regional community banks included in the data set for this survey.

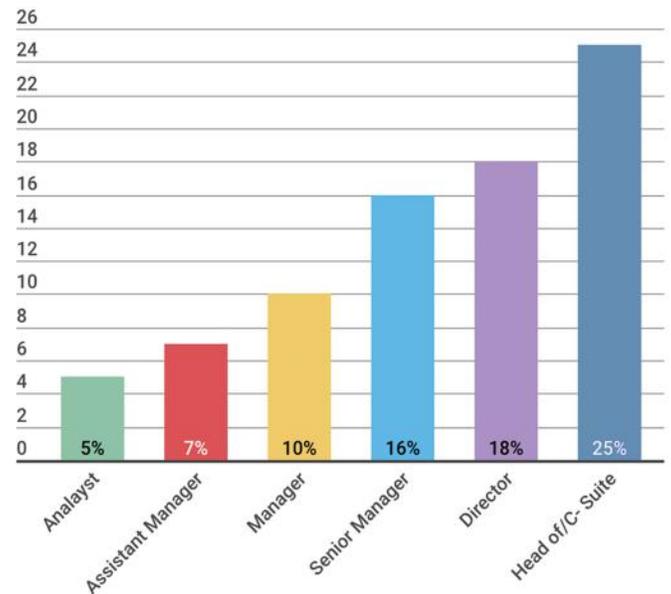
	Lowest Salary	Average Salary	Highest Salary
Analyst 1 to 3 years	\$64,300	\$78,225	\$92,150
Assistant Manager 3 to 5 years	\$87,000	\$93,100	\$99,200
Manager 5 to 8 Years	\$97,750	\$112,125	\$126,500
Senior Manager 8 to 12 Years	\$119,800	\$138,650	\$157,500
Director 12+ Years	\$145,250	\$167,625	\$190,000
Head of/C-Suite	\$180,000	\$232,500	\$285,000

## Bonus Data:

- Bonus average sat at 13.5% around 5% lower other sectors of banking.
- The Internal promotion salary rise was: 12%
- The External promotion salary rise was: 19%
- Most frequently candidate are on the hunt due to a lack of advancement within their current firm. This is primarily as they are performing such a niche role and feel they have been pigeon holed into the position.
- Candidates are most frequently rejected at interview due to a lack of communication skills.
- Whilst the tri-state area is the busiest area this data is primarily driven by larger clients. Over the past 12 months we've had 38 roles spread throughout 24 states for smaller regional community banks

## Key Takeaways:

Bonus averages as a percentage of above salary



## Priority Metrics



Most sought after skills

- 1) Banking Experience
- 2) CPA/CIA/CISA qualification
- 3) Risk-Based Audit Experience
- 4) SOX knowledge
- 5) Ability to work in a hands on



Candidate drivers for changing position

- 1) Career Advancement
- 2) Financial
- 3) Opportunity to manage
- 4) Diversify skill set or industry knowledge
- 5) Business restructuring/RIF



Most popular hiring locations by state

- 1) New Jersey
- 2) California
- 3) Connecticut
- 4) New York
- 5) Illinois



15% Average salary wise when switching organizations



34 Days to fill: Role release to offer made.

# Audit: Corporate Banking.

JCW's Business Banking space has been our most active space over the past 12 months. Whilst this activity has primarily been driven by the increased regulatory scrutiny it's interesting to note the volume of audit positions in corporate banking has increased by 20% since 2016.

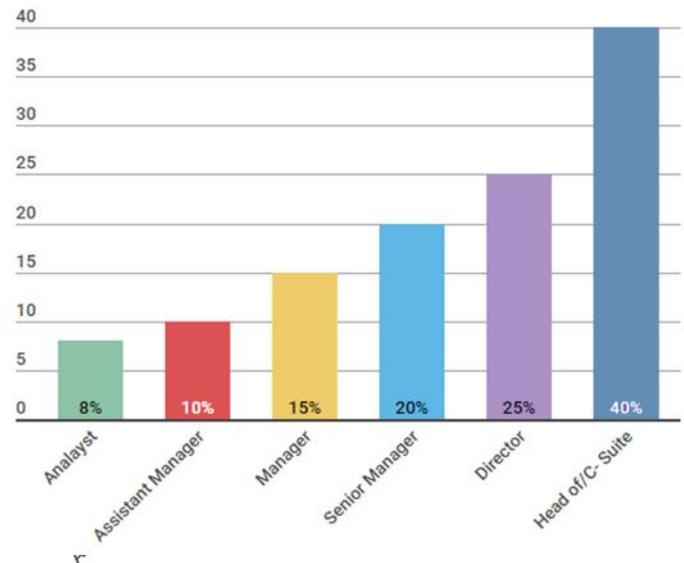
	Lowest Salary	Average Salary	Highest Salary
Analyst 1 to 3 years	\$66,000	\$77,250	\$88,500
Assistant Manager 3 to 5 years	\$85,000	\$94,000	\$103,000
Manager 5 to 8 Years	\$97,000	\$114,750	\$132,500
Senior Manager 8 to 12 Years	\$131,150	\$150,175	\$169,200
Director 12+ Years	\$149,500	\$180,750	\$212,000
Head of/C-Suite	\$198,500	\$259,950	\$321,400

## Key Takeaways:

- On average bonuses sat at 20%, this was almost exactly the average bonus in the audit banking space.
- The Internal promotion salary rise was: 16%
- The External promotion salary rise was: 18%
- Counter offers were the most frequent reason an offer was rejected in this space with 1 in 3 candidates receiving a counter from their current firm.
- A frequent trend in candidate motivators was a lack of a good reputation for their current organization in the market. Candidates suggested this was primarily motivated through news and media outlets as opposed to internal cultures.
- The average interview process took 3 interviews in this space.

## Bonus Data:

Bonus averages as a percentage of above salary



## Priority Metrics



Most sought after skills

- 1) Corporate Banking Experience
- 2) CPA/CIA/CISA qualification
- 3) Risk-Based Audit Experience
- 4) SOX knowledge
- 5) Ability to work in a hands on



Candidate drivers for changing position

- 1) Increased Firm Reputation
- 2) Career advancement
- 3) Financial
- 4) Diversify skill set or industry knowledge
- 5) Reduction in force



Most popular hiring locations by state

- 1) New York
- 2) California
- 3) Virginia
- 4) Texas
- 5) North Carolina



17% Average salary wise when switching organizations



29 Days to fill: Role release to offer made.

# Audit: Investment Banking.

The investment banking space has maintained its 2016 outlook. Whilst needs are far less frequent than other industries the required skill set has remained particularly niche and the calibre of candidate required particularly high.

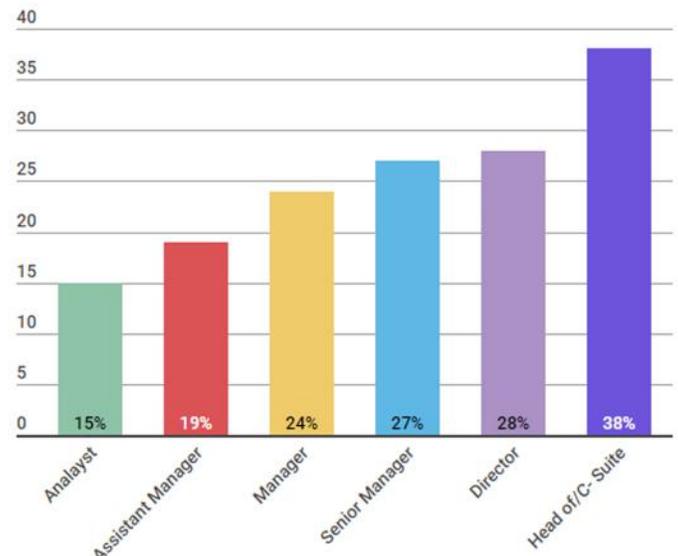
	Lowest Salary	Average Salary	Highest Salary
Analyst 1 to 3 years	\$80,700	\$94,600	\$108,500
Assistant Manager 3 to 5 years	\$93,600	\$106,050	\$118,500
Manager 5 to 8 Years	\$112,400	\$139,450	\$166,500
Senior Manager 8 to 12 Years	\$155,000	\$173,750	\$192,500
Director 12+ Years	\$185,800	\$212,900	\$240,000
Head of/C-Suite	\$221,200	\$286,600	\$352,000

## Key Takeaways:

- The average bonus in investment banking sat at 25%. This is down from 29% in 2016 though salaries have increased by an average of approximately 5%
- The Internal promotion salary rise was: 15%
- The External promotion salary rise was: 25%
- 1 out of 2 candidates received a counter offer in IB
- The IB space is a candidate short market and as such is moving incredibly fast. Typically interview process are conducted within 2 stages with an offer following within 24 hours.
- 90% of JCW's IB work sat within New York city primarily as a result of the location of the trading business units.
- only 1 in 4 candidates leaving IB stay within the industry

## Bonus Data:

Bonus averages as a percentage of above salary



## Priority Metrics



Most sought after skills

- 1) Finance/Accounting Degree
- 2) CPA/CIA/CFA qualification
- 3) Regulatory Audit Experience
- 4) Specific Capital Markets Product knowledge
- 5) Exceptional communication skills



Candidate drivers for changing position

- 1) Career Advancement
- 2) Financial
- 3) Work/Life Balance
- 4) Stress or Pressure in role
- 5) Poor corporate culture



Most popular hiring locations by state

- 1) New York
- 2) California
- 3) North Carolina
- 4) Florida
- 5) Texas



25% Average salary wise when switching organizations



21 Days to fill: Role release to offer made.

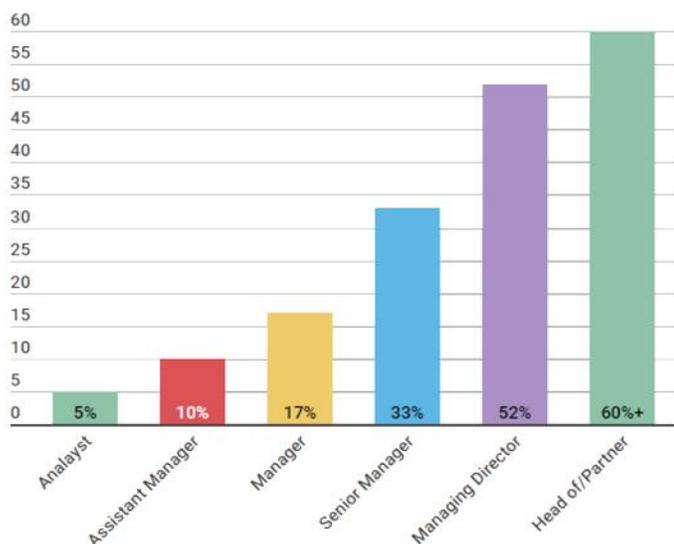
# Consulting

JCW works with consulting firms ranging from Big 4 to 20-employee firms, and they account for around 30% of our business. Owing to widespread deregulation in the past 12 months there has been a significant increase in risk, analytics and treasury consulting, with industry firms preferring to hire consultants over in-house staff.

	Lowest Salary	Average Salary	Highest Salary
Analyst 1 to 3 years	\$60,000	\$67,500	\$75,000
Assistant Manager 3 to 5 years	\$85,000	\$105,000	\$125,000
Manager 5 to 8 years	\$125,000	\$142,500	\$160,000
Senior Manager 8 to 12 years	\$165,000	\$195,000	\$225,000
Managing Director 12+ years	\$225,000	\$275,000	\$325,000
Head of/C-Suite/Partner	\$300,000	\$550,000	\$800,000

## Bonus Data:

Bonus averages as a percentage of above salary



## Key Takeaways:

- Consulting firms are expanding into locations all over the country and putting less of an emphasis on major cities.
- Treasury-based consulting roles have increased by 30% in the past 6 months.
- The breadth of salaries in this report is indicative of the breadth of organization taken into account.
- Salaries within top 50 consulting firms have stayed level for the past 24 months.
- Candidates are most frequently leaving due to the high travel requirement of the role and find it unmanageable with growing families.
- Counteroffers in this space only have a 10% success ratio due to the significantly higher mid-level salaries on offer in industry.

## Priority Metrics



Most sought after skills

- 1) Strong communication skills
- 2) MBA/PhD
- 3) Stakeholder management experience
- 4) Business development experience
- 5) Market certifications



Candidate drivers for changing position

- 1) Less travel
- 2) Better work/life balance
- 3) Looking to move into industry
- 4) Increased compensation
- 5) Looking to diversify experience



Most popular hiring locations by state

- 1) New York
- 2) Chicago
- 3) Texas
- 4) California
- 5) DMV



26% Average salary rise when switching organizations



26 Days to fill: Role release to offer made.

# Audit: Investment Management & Asset Management.

Whilst there are stark differences between the Investment and Asset Management space we found that candidates in the Audit space would move easily between the two industries and had comparatively similar salaries.

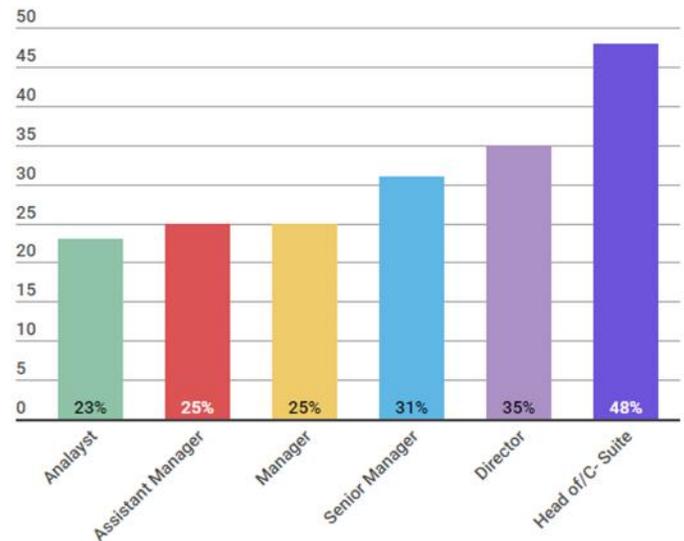
	Lowest Salary	Average Salary	Highest Salary
Analyst 1 to 3 years	\$82,150	\$94,325	\$106,500
Assistant Manager 3 to 5 years	\$97,500	\$107,375	\$117,250
Manager 5 to 8 Years	\$118,400	\$134,000	\$149,600
Senior Manager 8 to 12 Years	\$151,300	\$173,850	\$196,400
Director 12+ Years	\$188,450	\$218,975	\$249,500
Head of/C-Suite	\$245,800	\$322,150	\$398,500

## Key Takeaways:

- The average bonus came in at 29%. There has been a notable increase in organizations moving back towards a lower base higher bonus model in the past 12 months.
- Only 1 in 10 candidates recieved a counter offer in the IM/AM space but most had an average of 30 days notice before being able to leave.
- There's a notable difference in compensation for well known organizations in the industry who tend to pay less and rely on the quality of their name to motivate candidates to join them.
- New York, Boston and Florida accounted for around 75% of movements.
- IM/AM was by far the slowest moving space with the average interview process consisting of 5 rounds.

## Bonus Data:

Bonus averages as a percentage of above salary



## Priority Metrics



Most sought after skills

- 1) Finance/Accounting Degree
- 2) CPA/CIA/CFA qualification
- 3) Regulatory Audit Experience
- 4) Industry specific background
- 5) Exceptional communication skills



Candidate drivers for changing position

- 1) Financial
- 2) Increased firm reputation
- 3) The opportunity to Manage
- 4) Product knowledge expansion
- 5) Change of location



Most popular hiring locations by state

- 1) New York
- 2) Massachusetts
- 3) Florida
- 4) Texas
- 5) Illinois



21% Average salary wise when switching organizations



45 Days to fill: Role release to offer made.

# Audit: Big 4.

The Big 4 account for a huge volume of moves in the audit space. With the common graduate expectation being the best route to success is to start your career with a big 4 firm they have huge sway on the industry. Around 75% of non big 4 job specs request big 4 experience.

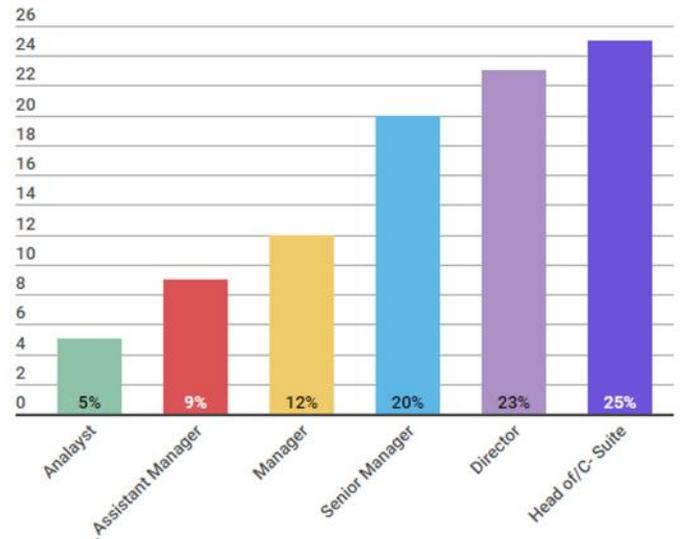
	Lowest Salary	Average Salary	Highest Salary
Analyst 1 to 3 years	\$57,600	\$81,300	\$105,000
Assistant Manager 3 to 5 years	\$75,500	\$94,500	\$113,500
Manager 5 to 8 Years	\$83,400	\$109,200	\$135,000
Senior Manager 8 to 12 Years	\$123,400	\$159,450	\$195,500
Director 12+ Years	\$145,700	\$195,925	\$246,150
Head of/C-Suite	\$179,000	N/A	\$1,000,000+

## Key Takeaways:

- The average salary rise when leaving the Big 4 was 28% due to the volume of candidates moving to industry.
- Bonuses are not a driver for joining the Big 4. Whilst comparatively, basics aren't competitive with the industry, the role itself is the most prominent selling point for candidates exploring opportunities in consulting.
- Candidates coming out of Big 4 had an average tenure of 4 years and in 90% of cases stated the volume of travel was the primary reason for moving despite enjoying the work and culture.
- Whilst JCW staffed a number of positions in New York, consulting is the only industry that didn't feature New York in it's Top 5 hiring locations.

## Bonus Data:

Bonus averages as a percentage of above salary



## Priority Metrics



Most sought after skills

- 1) Ability to travel 100%
- 2) Finance/Accounting Degree
- 3) Exceptional communication skills
- 4) An entrepreneurial mindset
- 5) CPA/CISA qualification



Candidate drivers for changing position

- 1) Less Travel
- 2) Financial
- 3) Better work/life balance
- 4) Looking to move to industry
- 5) More stability



Most popular hiring locations by state

- 1) Illinois
- 2) Virginia
- 3) Texas
- 4) North Carolina
- 5) New Jersey



28% Average salary wise when switching organizations



22 Days to fill: Role release to offer made.

# Audit: Consulting (Non Big 4).

JCW deals with a wide variety of consulting organizations from individual contributors to large multinationals. The disparity between the compensation, culture, work life balance and travel varies widely between these and as such we review these as a different industry than the big 4 despite the obvious similarities.

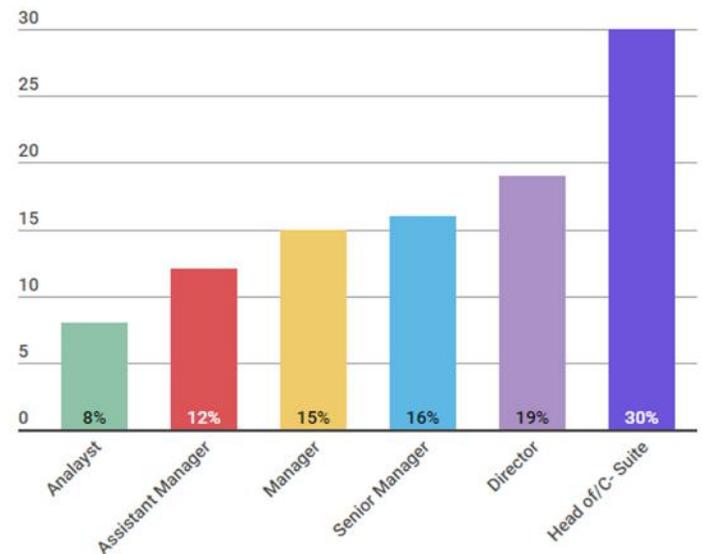
	Lowest Salary	Average Salary	Highest Salary
Analyst 1 to 3 years	\$45,700	\$65,150	\$84,600
Assistant Manager 3 to 5 years	\$67,900	\$82,150	\$96,400
Manager 5 to 8 Years	\$84,600	\$114,050	\$143,500
Senior Manager 8 to 12 Years	\$121,500	\$149,100	\$176,700
Director 12+ Years	\$164,800	\$189,835	\$214,870
Head of/C-Suite /Partner	\$205,600	\$377,250	\$548,900

## Key Takeaways:

- The core difference between the consulting/professional services space and working specifically in Big 4 tends to be travel (though this isn't always the case) as well as compensation.
- Candidate travel expectation for non Big 4 hovers around the 30% mark.
- Salaries we're on average 5% lower than Big 4 competitors whilst bonuses were 5% higher.
- A large number of candidates preferred a non Big 4 consulting firms due to the ability to have true flexibility in the projects they work.
- Only 1 in 8 candidates were counter offered in the non Big 4 consulting space.
- Niche firms focusing in Compliance and Audit disciplines with less than 50 employees accounted for around 60% of our placements in this space.

## Bonus Data:

Bonus averages as a percentage of above salary



## Priority Metrics



Most sought after skills

- 1) Finance/Accounting Degree
- 2) CPA/CISA qualification
- 3) Exceptional communication skills
- 4) Specific Industry Exposure
- 5) Regulatory/Risk Audit Experience



Candidate drivers for changing position

- 1) Skill set diversification
- 2) Compensation
- 3) Downsizing/Re-Structuring
- 4) Career Advancement
- 5) Work life balance



Most popular hiring locations by state

- 1) New Jersey
- 2) Washington D.C.
- 3) Texas
- 4) Georgia
- 5) North Carolina



12% Average salary wise when switching organizations



28 Days to fill: Role release to offer made.

# Audit: Insurance.

The insurance space has been a steadily growing area for Audit professionals with increasing stringent guidelines in the industry across the past 24 months. Whilst salaries remain at the lower end of the scale, the work life balance and strong internal cultures are a winning factor for many candidates.

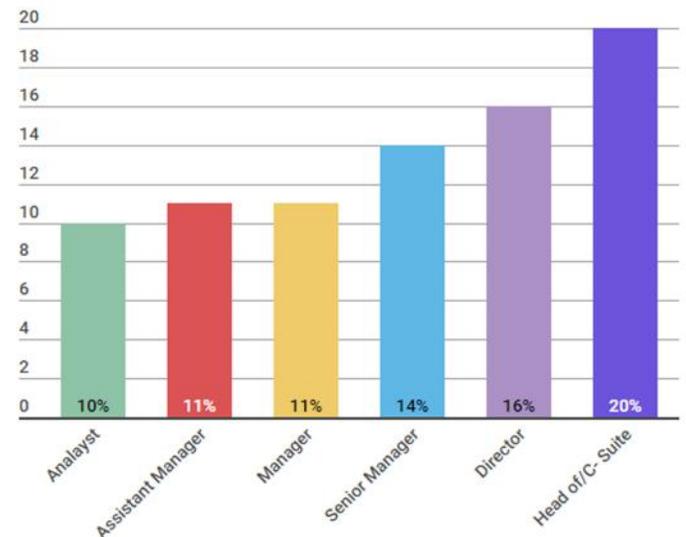
	Lowest Salary	Average Salary	Highest Salary
Analyst 1 to 3 years	\$67,000	\$76,300	\$85,600
Assistant Manager 3 to 5 years	\$81,350	\$94,105	\$106,860
Manager 5 to 8 Years	\$105,600	\$130,200	\$154,800
Senior Manager 8 to 12 Years	\$145,500	\$162,200	\$178,900.00
Director 12+ Years	\$166,600	\$189,540	\$212,480
Head of/C-Suite /Partner	\$201,500	\$262,750	\$324,000

## Key Takeaways:

- The average tenure of an audit professional in the insurance space is around 6 years. It's a role that people tend to stick with once they join.
- Salaries and bonuses have maintained their 2016 levels.
- Insurance is the only space we've seen relocation as a main driver for candidates who are simply looking to leave larger metropolitan areas.
- Whilst it took 36 days on average to receive a job offer, most interview process consisted of just 3 rounds, with the first round almost always a phone interview.
- Insurance, while certainly growing, has seen the fewest roles released to an agency of any industry in 2017/2018 at 58 total across 9 organizations.

## Bonus Data:

Bonus averages as a percentage of above salary



## Priority Metrics



Most sought after skills

- 1) Insurance industry experience
- 2) CPA/CIA/CISA qualification
- 3) Exceptional communication skills
- 4) Front to back audit experience
- 5) Risk based Audit Experience



Candidate drivers for changing position

- 1) Looking for management responsibility
- 2) Compensation
- 3) Looking for a less niche role
- 4) Promotion
- 5) Relocation



Most popular hiring locations by state

- 1) North Carolina
- 2) New York
- 3) New Jersey
- 4) Illinois
- 5) Texas



22% Average salary wise when switching organizations



36 Days to fill: Role release to offer made.



## Meet the team:



### **Nicole Weston - Head of US Audit Team.**

After graduating from University in Australia, Nicole joined JCW upon her return to America in 2014. By focusing on building a strong network of relationships across the financial and consulting sectors she's become an expert in the audit field and rapidly developed as an exceptional team leader. Nicole currently leads JCW USA's Audit division which has been her exclusive focus since 2015.

**Phone:** 646 517 8511

**Email:** Nicole.Weston@jcwresourcing.com



### **Megan Harper - Head of Audit Delivery Team.**

Meg was born and raised in Connecticut joining JCW in 2015 following her graduation from Roger Williams University. Having been trained in the audit markets Meg's responsibility with JCW involves developing and leading the delivery function supplying candidates into the audit space at all seniorities across a variety of sectors including Finance, consulting and construction.

**Phone:** 646 517 8649

**Email:** Megan.Harper@jcwresourcing.com



### **Megan Cifuni - Audit Consultant**

Graduating from Marist college with a Bachelors in Communications Meg joined JCW in 2016. By developing a network of relationships in the financial services industry she's quickly become an expert in placing roles specifically within the IT audit Space. Meg grew up in Oyster Bay, New York and currently lives in Manhattan.

**Phone:** 646 517 8726

**Email:** Megan.Cifuni@jcwresourcing.com