

This month's special

Risk management in banking - after the recent shocks regarding Silicon Valley Bank and Credit Suisse, is risk management within banking (again) gaining in importance?

Ailing banks dominated the news in March. Two banks - Silicon Valley Bank and Credit Suisse - caused significant difficulties for the financial sector and beyond. Is the spectacle of the last financial crisis now repeating itself? How well-equipped are banks with substantial risk management systems? Let's look at how the risk management issue in banking has shaped the job market over the last year.



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Let's start off with some global labor market insights presented by HRForecast – March 2023

This month we observed a total of 16,3 million job postings globally

Total number of job postings processed by HRForecast (in millions)

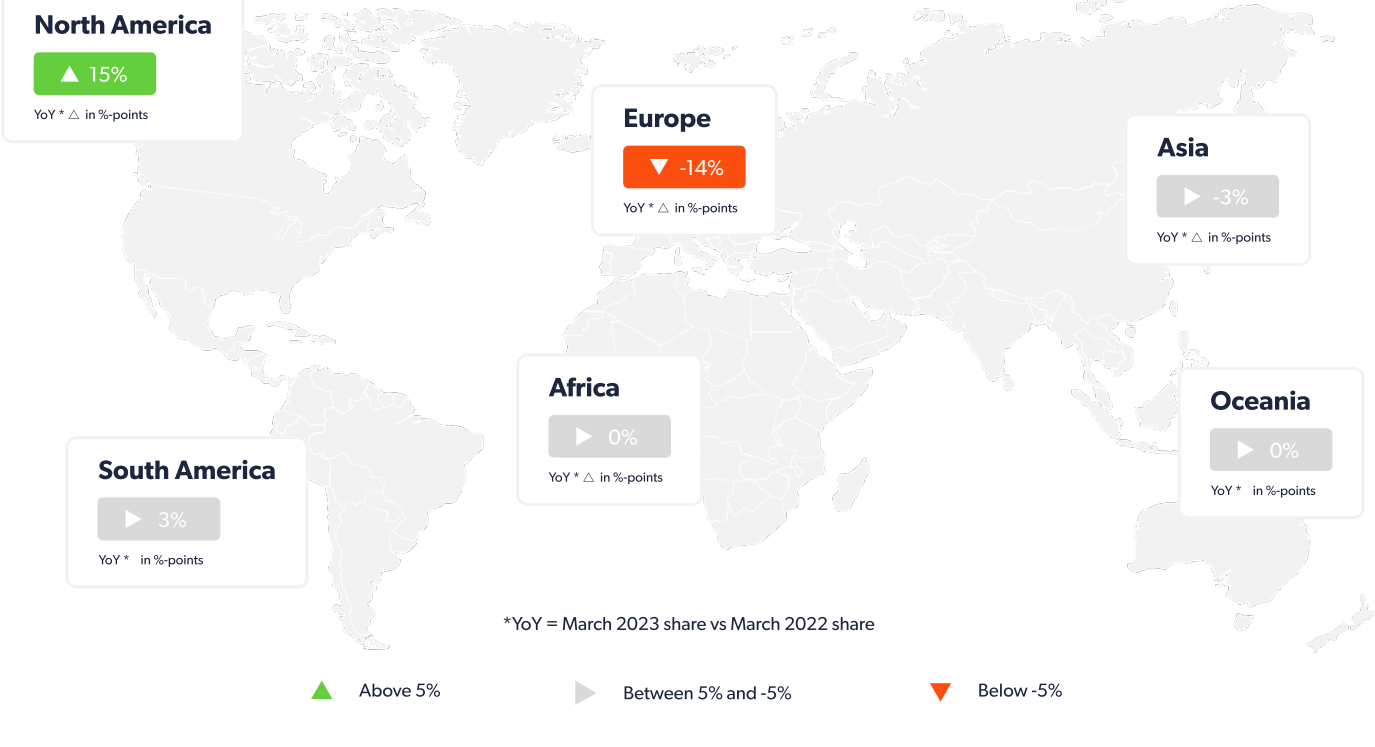


*YoY = March 2023 share vs March 2022 share

The number of job postings we've recorded globally has decreased for the second month in a row. The world's investment into jobs is around 25% (!) below the peak of the last year we monitored only two months ago (January 2023). We'd say it's the largest setback since the COVID pandemic greatly impacted labor markets in March-April 2020. Is this the start of a global recession, or is the labor market simply returning to a more stable condition after the turmoil of the 'Great Resignation'? We'll check out more in the next few months.

Job demand by continent

March 2023

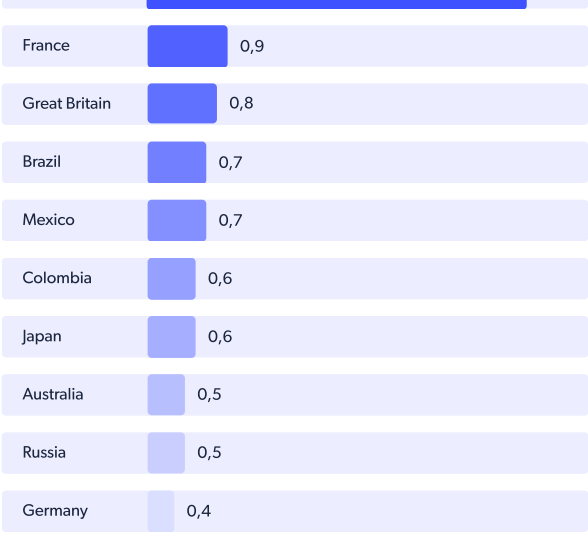


*YoY = March 2023 share vs March 2022 share

▲ Above 5% ► Between 5% and -5% ▼ Below -5%

Digging into the major global regions, we see little changes to last month's findings. For example, the number of job postings is still declining fastest in Europe (the global share is -14%-points compared to March 2022), while the US labor market is still more active compared to one year ago (global share is +15%-points vs. March 2022).

Job postings by country (in millions)



Eight out of these ten countries have recorded a lower number of job postings compared to the last months, with the biggest setbacks in Japan (-50%), Great Britain (-30%), and the United States (-14%). These numbers indicate that 'The Great Resignation' is losing momentum, and a cooled-down economy has entered the labor market. Russia (new on the top-10 list) and Germany (+7%) show signs of stability in the labor market.

Current most common job titles*

As for the job titles, the need for specialised engineers of various profiles is growing. So, we welcome newcomers, such as Project, Electrical, and Data engineers, to the global top 25 jobs list. They've replaced positions such as Pharmacist, Marketing manager, and Electrician. However, beyond these small evolutions, jobs from the health and IT sectors stay in the highest demand.

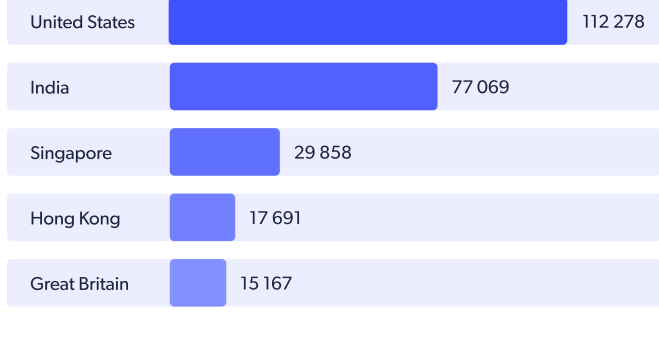


Is risk management within banking (again) gaining in importance?

Total number of job postings processed by HRForecast



Demand for 'risk management in banking' related jobs (top 5 countries)

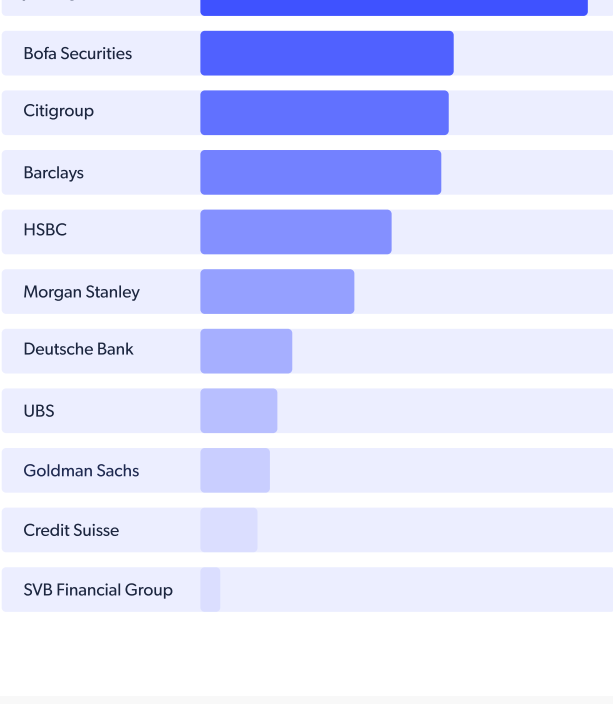


*Time period: 03/2022 – 03/2023; based on HRForecast global job posting database and the keyword skill 'risk management'

Exemplary job titles around 'risk management in banking'



Demand for 'risk management' related jobs (largest 10 global banks + Silicon Valley Bank)



We searched for the skill 'risk management' in the job postings of the 50 largest banks in the world and were surprised to see that the demand for this skill isn't skyrocketing.

- The banks are already well-equipped with internal talents in risk management, or
- There's a disconnect between the business requirements (= build and maintain an effective risk management system) and labor market strategy (= provide suitable talent to support risk management).

Interestingly, when analyzing the job postings involving risk management skills of the ten largest global investment banks, Credit Suisse is in the very last position. This could indicate a few possible things:

- The bank isn't actively recruiting professionals with risk management skills at the moment.
- It may have recently filled most of their risk management positions.

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