



Salary Guide - Head of Human Resources /Chief People Officer Small to Medium sized Banks

Introduction

When we realise this significance of the financial industry and its role in the economy and our daily lives, only then can we recognise the importance of Human Resources in this crucial sector. Unlike other industries that have a good balance between the four factors of production. The financial sector is heavily dependent on one of the four, which is people. Normally there are four factors of production; land, capital, enterprise and people. The paramount influence of the workforce in this industry calls for paramount consideration of the human resources team and the Head of Human Resources/Chief People Officer.

Basic Salary & Senior Managers Function (SMF18)

The basic salary would be dependent on the size and scope of the operations that the individual would be responsible for. Basic salaries at the higher end of this scale would be Banks with 250 – 650 employees, in addition Banks they may be publicly listed.

In some instances the role does carry the SMF18, “Other Overall Responsibility”, this therefore increases the basic salary, with the Senior Managers Regime responsibilities.

In addition the size and responsibilities of the team are a key factor on the level of Basic Salary commanded. During our searches, experience is also a factor on the level of the salary, not dependent on the size and scope of the role.

Basic salaries at the lower end of this brackets would be typically small banks, with less than 50 – 120 employees.

Annual basic salary range	£90,000-187,000 (Further detail below)
Annual bonus	Dependent on Company & Personal Performance; average bonus is between 10 - 35%
Pension	10-15% Non-Contributory
Share options / LTIP	Dependent on the company structure & performance
Medical Insurance	Self & Dependents (Dental, Optical and Pre-existing conditions included in some instances)
Life Insurance	4 - 6 times basic Salary
Critical Illness	Dependent on the Company policy
Holidays	27 - 30 days
Lifestyle benefits	Typically a suite of benefits e.g. Gym Membership, Childcare

Notice Period

The average notice period for a Head of Human Resources / Chief People Officer is 3 months

COVID-19

Given that the nature of this crisis has hugely impacted the way people are able to work, Human Resources plays a significant role in its management. The role of leading the Human Resource functions has been put into the spotlight. Within short notice, an entire work force was required to work remotely. Policies and procedures based on office based practices had to change overnight.

The key concern for many Banks has been the mental health and well-being of their employees. Burnout is becoming a real challenge with employees not switching off, employees with home schooling have had to juggle a full-time role, with full-time home schooling.

The role of human resources will continue to be pivotal in the way Banks create an environment that will ensure that its employees are supported through these challenging times.

As the crisis continues, maintaining staff wellbeing is clearly paramount, and how we return to work is also a key issue, for the moment unanswered. Reconciling 'generational differences' might not just be a challenge for Human Resources right now, but also for when onsite work resumes.

There will be elements of this tumultuous time that may have a positive impact, perhaps an ability to allow more flexible working for example, though simultaneously there are very real challenges moving forward, such as the economic impact of the crisis and what that will mean for job security.

Summary

COVID-19 has highlighted the importance of our leaders within the Human Resources profession.

Human Resources involves much more than the recruiting, hiring and compensation of employees.

Health and well-being of all staff members and employees are now demanding that employers should also pay attention to mental health challenges. COVID-19 will continue to be a major challenge for all organisations, with the prospect that we will not return to the office until at least the middle of 2021.

The majority agree that there has been a positive shift in mindsets to allow more flexible working, in fact COVID-19 has demonstrated to a number of business's that productivity has increased in most areas of the business.



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James has been within Executive Search in the Financial Services sector for over 20 years, having lived and worked in the UK, Europe and the Middle East. James has acted as a trusted business partner to source Board and Executive talent within SME Banks. James focuses on forming long-term partnerships with his clients in order to offer a truly consultative service built on time investment, integrity and a considered service delivery to generate the right solution.

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