

## First quarter of 2010 shows an increase in recruitment activity despite threat of a hung parliament

Study by Powerchex suggests confidence in the Financial Services Sector despite political uncertainty caused by the general election.

**London, 26<sup>th</sup> April 2010.** New figures released today show that many companies are making more employment offers than last year.

Powerchex Limited, the leading pre-employment screening provider for financial institutions, compared employment offers made in Q1 of 2009 to the corresponding period 2010, and found an overall increase of 27% spread across the financial services sector (see figure 1).

The figures show that Stockbrokerage firms, Hedge Funds, and Insurance Firms were the biggest movers and shakers, all increasing their employment offers by upwards of 50% compared to Q1 last year. Investment Banks and IT contractors working within financial services were the only sectors to show a reduction in recruitment activity, down 21% and 19% respectively.

Powerchex also compared the number of employment offers in March of 2009 to March 2010, and found a 33% increase in recruitment activity spread across all the whole of the financial services sector (see figure 2).

The biggest increase was in Hedge Funds up 119%, followed by Stockbrokerage and Insurance Firms (up 67% and 45% respectively). IT contractors working within the financial services industry were the only sector to suffer a decrease in job opportunities, the figures showing a 50% decline.

Alexandra Kelly, a Director at Powerchex, believes that the rise in recruitment would have been even more pronounced had there not been a general election called; the rise in popularity of Nick Clegg's Liberal Democrat Party has threatened a first hung parliament since 1974 and many organisations are understandably nervous.

*"The past 12 months has seen many organisations completely change their approach towards recruitment. A lot of firms were in a complete recruitment lock-down, only looking to replace staff in really critical roles. However, many have now started to recruit again, some very aggressively; presumably concerned about being left behind in the rush for talent."*

*"But we still haven't returned anyway close the levels of recruitment we were seeing pre-recession,"* continues Kelly. *"There seems little doubt that recruitment in 2010 is being*

*adversely affected by the threat of a hung parliament and the as yet uncertain action that the new government will take against the banking sector”.*

This surge in recruitment activity in the financial services sector is at odds with the new figures realised last week by the Office of National Statistics that showed that the number of people unemployed in the UK rose by 43,000 to 2.5 million during the three months to February.

*“The financial service sector is leading the country out of recession,” states Kelly. “I have been hearing from other companies in our line of work who deal with different sectors. They are not experiencing quite the same phenomenon so this really is city of London and financial services specific.”*

-ENDS-

NOTES TO EDITORS:

About Powerchex

Powerchex is the UK’s premier pre-employment screening firm for financial institutions. Based in the City of London, Powerchex checks the background, employment history, criminal records and professional qualifications of applicants on behalf of financial institutions. It sets the industry benchmark of 5 days for a background check.

[www.powerchex.co.uk](http://www.powerchex.co.uk).

Figure 1. % Change in Employment offers in the Financial Services Sector from Q1 2009 to Q1 2010.

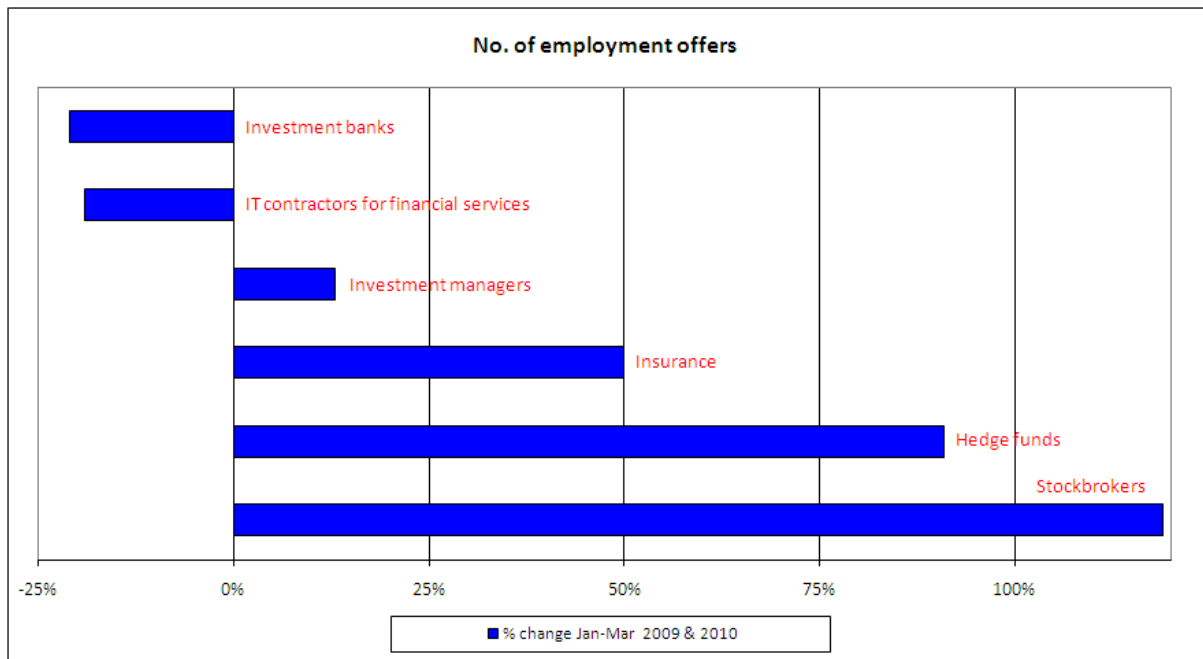


Figure 2. % change employment offers in the Financial Services Sector from Mar 2009 to Mar 2010.

