

OUR COMPREHENSIVE OVERVIEW OF

The 2023 Technology Recruitment Landscape and
Predictions for 2024's Recruitment Landscape in
Banking and Finance Technology



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Market Overview

In 2023, technology recruitment faced numerous challenges due to various factors that significantly impacted the hiring landscape. The year was characterized by volatility in the crypto space, layoffs in the US tech sector, a slowdown in the banking industry, and prevailing economic uncertainties. These circumstances collectively created a difficult job market environment, affecting both job seekers and technology firms' HR departments, resulting in downsizing.

Average salary increases in the past years

	Actual			Forecast
	2021	2022	2023	2024
Market Salary Percentage Increment for candidates switching jobs	17.1%	16.5%	12.8%	13.5%
HK CPI %	3.2%	6.5%	3.4%	2.5%
HK Employees Pay Rise in General (HKIHRM)	3%	3.5%	3.8%	4%

Trends Across US, EU, and Chinese Investment Banks

US Investment Banks :

The US investment banking sector experienced significant challenges leading to several waves of layoffs in 2023. These layoffs were primarily driven by the economic situation, which created a need for cost reduction and restructuring within the industry. However, as the market conditions have evolved, there are indications that some US investment banks are planning to resume hiring in the current year.

HRs from tier 1 US investment banks have confirmed that hiring activities in 2024 will be more active. This suggests a cautious but positive shift in their recruitment strategies.

Compared to the previous year, the bonuses for employees are reported to be lower. This adjustment in bonus payouts can be attributed to the economic conditions, market performance, and overall financial performance of the banks. It reflects the challenging environment and the need for cost control within the industry.

EU Investment Banks :

The overall hiring situation in EU banks can be characterized as steady but cautious. While some roles have become available, the number of openings is likely to be limited. In addition to limited hiring, there



have been longer approval processes for secondment contracts within EU banks.

Some European banks have also decided not to backfill many of their vacancies after technologists left the firm in 2023. The decision further reflects the banks' emphasis on optimizing resources.

Chinese Investment Banks :

With the impact of the real estate market crisis in mainland China, many Chinese investment banks suffered losses in 2023 resulting in a series of cost-cutting measures including layoffs at the technology division.

The Chinese banking sector has adopted a cautious approach to hiring and salary policies, primarily driven by an initiative to address wealth inequality¹. To comply with this initiative, Chinese investment banks have implemented salary reduction policies and are exercising caution when it comes to offering approvals and salary increments.

1 : <https://www.reuters.com/markets/asia/bank-china-starts-nationwide-move-reduce-salary-gap-among-employees-manager-2023-08-14/>

Chinese investment banks are more stringent in their approval processes for job offers, ensuring that they align with salary reduction policies and overall cost-control measures. As a result, the salary increment percentages for employees, including technologists, are being closely monitored and may be limited



compared to previous years. Some Chinese investment banks have even implemented salary ceilings for technologists across different levels within the organization.

In terms of hiring, there is a trend observed in the Chinese banking sector of either relocating technologists to the mainland or bringing mainland talents to Hong Kong. This trend reflects the banks' efforts to optimize talent distribution and leverage talent resources from both regions. However, it is important to note that hiring in general is slow and cautious, with a focus on budget sensitivity and cost control measures.

The outlook for bonus payouts in 2023 is pessimistic. Traditionally, the Chinese investment bank has followed a compensation structure that includes a lower base salary but offers bonuses higher than the market standard. However, indications suggest that the bonus payouts for this year may not meet expectations.

Overall Turnover Rate in 2023:

Based on our findings, the turnover rate in 2023 was reported to be significantly low. This can be attributed to the prevailing market uncertainties and fewer job openings during the year. As a result, technologists tended to remain in their current positions rather than pursuing new opportunities.



Overall Hiring Trends in 2023

In 2023, banks have shown a trend of hiring more contractors. This is primarily due to the easier hiring process and streamlined approval. However, we have also observed there is a salary freeze for existing contractors and lower salary increments for the candidates.

Additionally, firms have tended to hire relatively more junior candidates when refilling vacancies, as a means to save costs.

Hedge funds, when seeking to hire C++ developers, have shown a tendency to target fresh graduates and often engage in campus recruitment.

Prediction for 2024 :

Although the technology landscape so far in 2024 continues to face challenges, especially when compared to 2022, there are some signs of improvement. American banks have started hiring for certain positions. This indicates a cautious but positive shift in the industry. However, it is important to note that the overall pace of hiring in 2024 remains much slower compared to 2021 and 2022.



Banking Tech Salary Guide in 2024 : Range (Yearly Basic in HK\$)

Title	Analyst to Junior Associate	AVP / Associate	Vice President	Executive Director / Managing Director
Development	480 - 700K	600K - 1M	1 - 1.7M	1.6M+
Infrastructure	420 - 800K	800 - 960K	1.1 - 1.4M	1.5 - 2.0M
Security and Risk	480 - 700K	800K - 1.2M	1.2 - 1.8M	2.0 - 2.5M
Change / Project / Product Manager	400 - 550K	600K - 900K	1.2 - 1.5M	1.6 - 2.2M



If you'd like more information or
if we can help in any way, please reach out to us.



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