



The Spotlight

The Spotlight is a regular Q & A feature that showcases our people, their expertise, and trending topics that are on top of our clients' minds directly from the voices of our business leaders.



Sean Carney, Partner, European Banks

Sean Carney leads McLagan's European Banks reward team. His group is responsible for relationships, benchmarking, and consulting services across all major investment, corporate, and retail banking clients with a presence in Europe.

Questions and Answers

How has Brexit most prominently impacted the UK banking and capital markets industry?

Brexit immediately caused significant volatility in the financial markets, driving significant revenue increases in trading businesses through the second half of 2016. The longer-term impact is the uncertainty that it creates for banks, their clients, and their employees, particularly EU nationals in the UK. There remains no concrete resolution on what Brexit actually means, leading to scenario planning and some small populations already moving out of the UK.

What trends are emerging in UK financial services as a result of mandatory gender pay gap reporting?

Before mandatory reporting requirements, firms believed, and our research proved, that increased diversity has a positive impact on firm performance. The diversity agenda has recently been pushed even further, providing a key initiative and topic of discussion for all firms. We will know more about the requirement's implications after the reporting deadline on 4th April, 2018.

If you could describe today's European banking and capital markets industry in three words, what would they be?

Challenged, Adapting, Recovering

What is your top advice for banks to attract millennial talent in today's highly competitive market?

Create a compelling vision and firm purpose and explain individual roles in that context. Banks help their clients to realise their dreams. They can also help whole economies to prosper, offering compelling reasons to join the industry. Create a holistic employee value proposition aligned to your vision in which salary and bonus play a part, but is less of a dominant factor than in pre-crisis years. Articulate this employee value proposition frequently and consistently.

How does the future look for European banks as we head into 2018?

It's a mixture of uncertainty and opportunity. Low returns in financial services, highlighted by recent IMF comments regarding several European investment banks' inability to generate returns in excess of cost of capital, will continue to motivate change. We have seen profitability increases and a need for further growth after so many years of crisis, which will likely lead to increased competition. Finally, we hope that zero and negative interest rates will become a thing of the past!