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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.



Martin McGuigan, Partner, Head of Middle East

Martin McGuigan partners with firms on their rewards strategies in the Gulf Corporation Council and other regional markets, such as Egypt, Lebanon, Jordan, and Pakistan.

Questions and Answers

What is a top of mind for financial services firms in the Middle East in 2018?

Firms are driven by the need to make more money. The focus for retail banks continues to be on growing market share. Size and scale provides them with efficiency and productivity gains. The local market has witnessed a number of high profile mergers, which have improved results, and more mergers will inevitably follow. Investment firms are focused on improving talent to enable the management of money in house and reduce exposure to management fees.

How is the newly introduced sales tax impacting firms across the GCC?

At the moment, it is too early to say. Very few firms had additional pay increases this year, as they mainly adopted a wait and see strategy. In Saudi Arabia, the government introduced a last minute pay allowance for one year to smooth the transition. Some, but not all, financial services firms have followed this lead. So far, the biggest impact has been on the finance function, where demand for talent is extraordinarily high.

If you could describe the current state of the financial services industry in the Middle East in three words, what would they be?

Evolving, Competitive, Profitable

How are firms adapting to the latest trends in technology?

Slowly! While we are seeing improvements in the operating models for all sectors, the pace of change is moderate. However, tech disruption is forcing the sector to speed up.

What does the future of financial services look like for this region?

Positive — the emergence of Islamic finance as the fastest growing global sector, the rapid growth in local economies, and the modernizing agenda of local governments all indicate that the sector will continue to flourish.

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