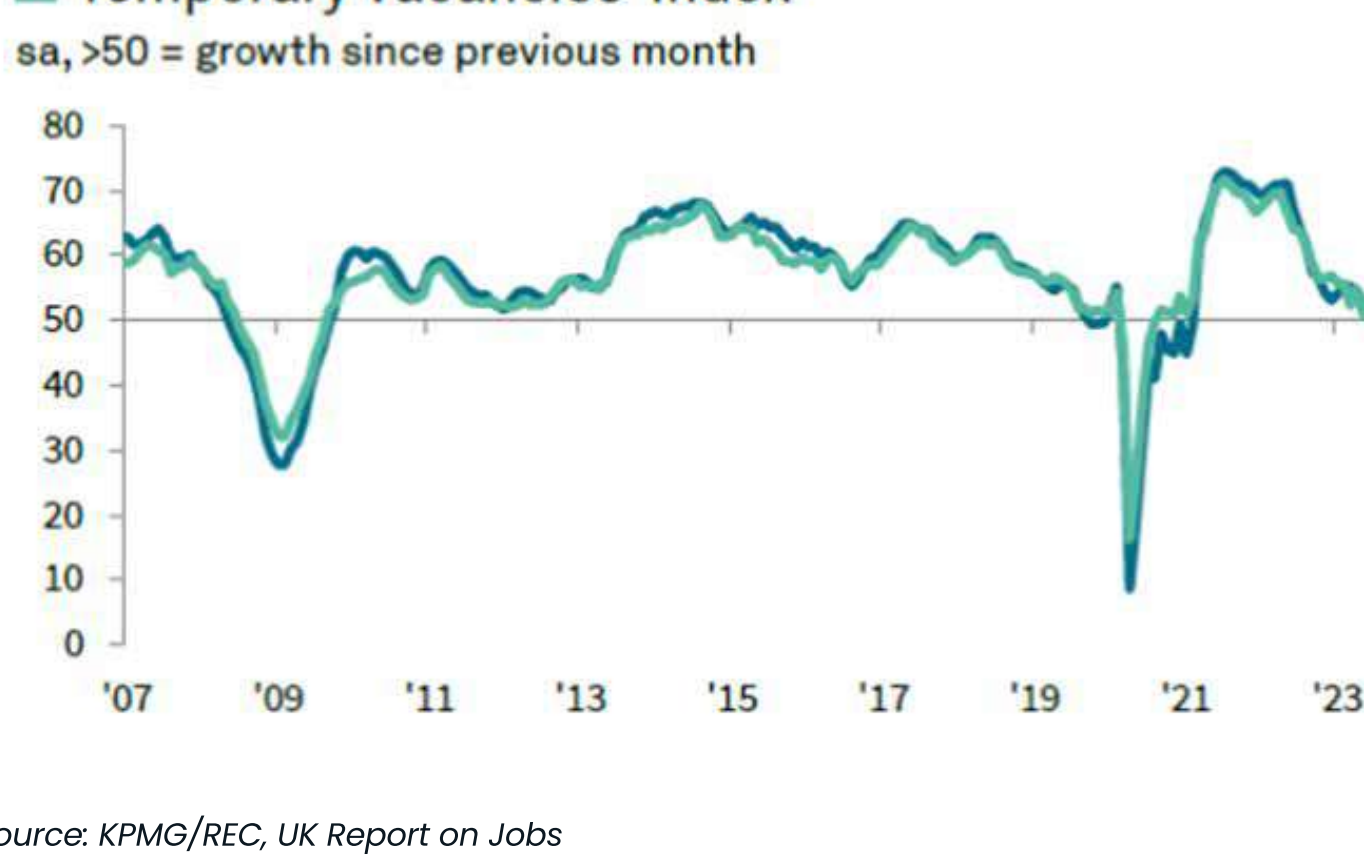


Recruitment Market Insights – Cyber Security & Data Privacy 2023

Welcome to the Barclay Simpson 2022/23 Cyber Security & Data Privacy Market Insights report.

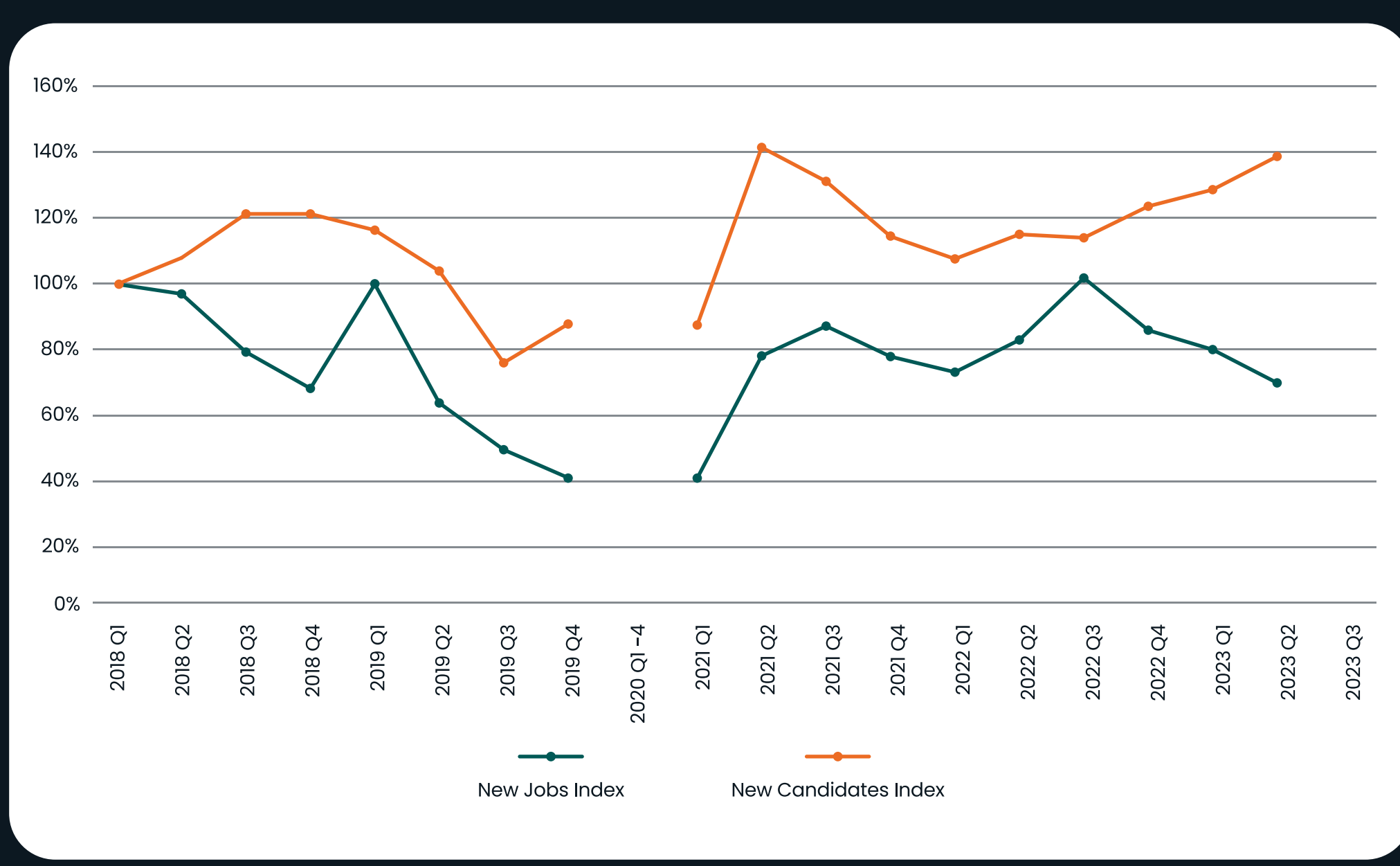
The extraordinarily active recruitment market seen in late 2021 and throughout 2022 after the pandemic were destined to be followed by a more moderate level of activity in 2023, and this has been accentuated by developments in the economy.

The graph below shows the levels of vacancy creation across the UK economy (REC/KPMG UK Report on Jobs) since 2007. It gives an indication of the scale of the impact of the pandemic and the strength of the bounce back, particularly in comparison with the effect of the financial crisis of 2008-2009. The pandemic has been replaced by traditional economic factors as the major driver of current market conditions. The disruption caused by the mini-budget, war in Ukraine, persistent inflation, rapidly rising interest rates and sluggish growth have created the one thing that recruitment markets dislike, uncertainty. Cyber Security & Data Protection have been impacted by these forces as much as any sector, and more specifically by some.



Source: KPMG/REC, UK Report on Jobs

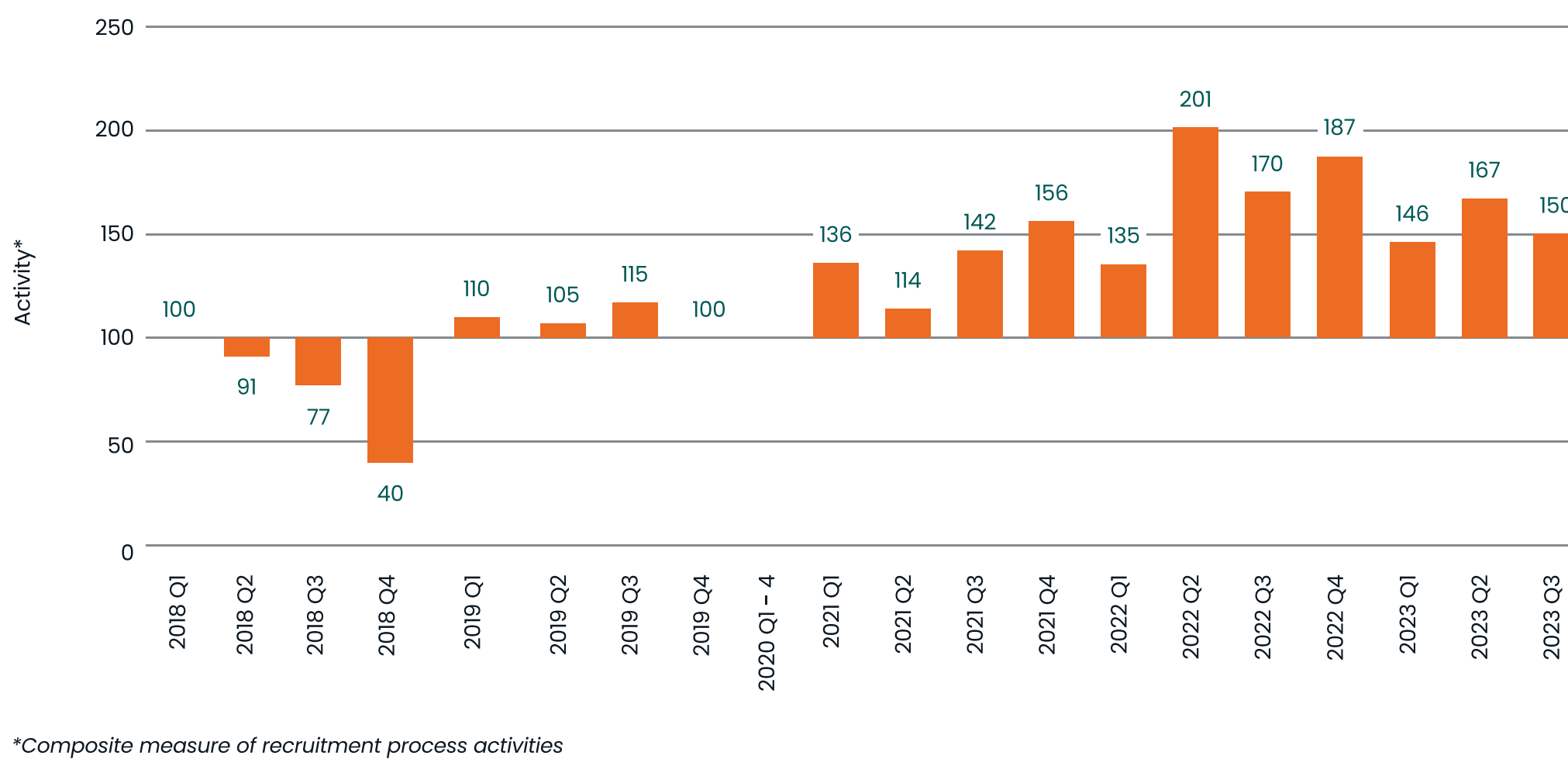
Supply & Demand for Cyber Professionals and Jobs



After the pandemic, the cyber security and data privacy jobs market followed the general pattern of rapid acceleration in the number of vacancies created and the number of candidates seeking a new opportunity. Recruitment activity that had been postponed was actioned and the changed priorities around work-life balance ensured that all participants in the recruitment market were fully engaged. The universal adoption of remote recruitment practices ensured that candidates could access the market at will and employers could progress recruitment processes at an unprecedented pace. The market drew breath at the end of 2021 and then accelerated again into 2022, until a gradual cooling commenced in the second half of the year as demand and supply started to return to more normal levels.

While some areas have been quite badly affected by rising interest rates and the knock-on effect this can have on investment in IT projects and Fintech startups, there are core drivers of demand at work in the cyber security and data privacy sector, with high profile security breaches an ever present and increasing occurrence across both the public and private sectors. This is supporting demand for cyber security and data privacy professionals; while the market may have come off its highs of 2021 and 2022, those levels were always unsustainable, what we have now is still a healthy market.


Cyber Security Activity Index



*Composite measure of recruitment process activities


If anything differentiated the pre and post pandemic periods in the cyber security and data privacy recruitment market it was the intensity and pace of the market, driven by employers determined to recruit and candidates keen to move. Long tail effects of the pandemic relating to candidates wanting to work from home, coupled with a heightened appreciation of work-life balance and the need to protect mental well-being have in all probability permanently changed the employment landscape. There is a lot of talk about AI, but we are only just starting to see what that could mean for employment. It is too early to comment but it is not unreasonable to anticipate the effects to be significant from cyber security, data privacy and intellectual property perspectives in addition to the allocation of responsibility for tasks and duties between people and machines.

In-Demand Roles Businesses are Looking For:




1

Identity Access Management



2

Application Security Engineer



3

Operational Resilience Manager

Key Themes in the Cyber Recruitment Market at the Moment:

Staff Retention

With record numbers of Security professionals recruited in 2022, employers are now looking carefully at how to retain staff and their skills in their team in 2023. While work/life balance and flexible working are still high on most candidates' agenda, an appreciation of job security and quality of company is increasingly important.

Resilience

Within banking and financial services, companies are still not ready for the 2025 new DORA regulation deadlines. High profile attacks and ransomware hits ensure that companies in all sectors are focussed on security and resilience. Candidates with operational resilience experience are highly sought after.


Candidate Motivations


Candidates' decisions are being influenced by cost of travel and working from home considerations and are giving increased weight to job security, quality of company and prospects relative to earnings then previously.


AI in Cyber Security


AI within cyber is becoming a big, if speculative, topic. New solutions are being developed for everything from LI SOC work, through to sourcing new talent. Threat actors utilising AI to maximise attack, particularly within spear phishing and deep fakes are becoming more apparent. Companies must ensure they are keeping on top of these developments.


Drivers Impacting Candidate Movement


Remuneration


Career Development


Remote Working


Job Security

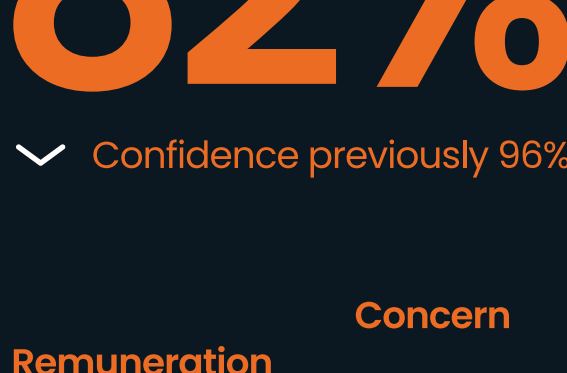

Work-life Balance

82%

✓ Confidence previously 96%

Confidence in the job market

While overall levels of confidence in the recruitment market remain high, there has been a shift in emphasis towards considerations such as job security, quality of employer and opportunity to progress.



Better remuneration is the biggest motivator

The cost of living crisis means that while money is still an important motivator for people seeking to change jobs, this is being balanced by a concern about the risks of losing security of tenure.

Start-ups becoming less attractive

Jobs with start-ups such as FinTechs are less attractive. There has been a shift in preference towards quality over adventure with candidates carefully qualifying opportunities, with the difficulties in securing funding for new projects and investment for start-ups weighing on decisions.

The impact of these concerns varies from sector to sector. Well established banking and financial services business are perceived as being stable and secure in a higher interest rate environment, whereas technology, commercial and professional services opportunities are carefully investigated to test the quality of the opportunity.

Pay Growth

Pay rises achieved by candidates with their current employer have been averaging 8% compared with the 15-20% achieved by candidates who have changed employer. This is a reduction from the 15-20% when candidates were achieving 15-30% rises by using the recruitment market. This is where the trade-offs between security of tenure, improved salary and quality of company and opportunity come sharply into focus.

Attract and retain the internal cyber professionals you need with Barclay Simpson

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