



Finance Hiring Outlook Mostly Cloudy for 2009

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The year-end 2008 job market for accounting, finance and banking professionals was holding steady at best and completely deteriorating at worst. Large investment banks had virtually stopped hiring, and legal firms, hedge funds and private-equity funds had dramatically pruned staff. In all, financial services firms had shed more than 150,000 jobs by late 2008 and had announced plans to cut 100,000 more jobs in the near future.

For 2009, some analysts see glimmers of hope, while others see nothing but a continued lack of economic confidence leading to more job cuts in the sector. Here's what experts are predicting for 2009:

Accounting

Accounting employment looks quite good, especially when compared with banking. A whopping 82 percent of 1,400 chief financial officers surveyed by Robert Half International (RHI) had no plans to cut staff in the first quarter of 2009.

“What I hear from my clients is that they expect their hiring to remain flat throughout the year,” says Kathleen Downs, a recruiting manager for Robert Half Finance & Accounting in Orlando, Florida. “And, I think people will be hesitant to move unless they have a specific reason -- impending downsizing or problems at the company.” That means the natural transition that occurs as people move up and leave behind open positions won't happen as much, she says.

Despite those challenges, RHI is forecasting a 3.4 percent average salary increase for finance and accounting professionals nationally in 2009.

Another positive influence on accounting employment is the fact that in tough times, companies need more help than usual with the tasks that management accountants specialize in, including internal control, risk management, cash-flow management and cost control, says Jeffrey Thomson, president and CEO of the Institute of Management Accountants.

“There's going to be a greater need than ever for the financial management professionals inside organizations to step up and be drivers of those disciplines,” he predicts. “The first two quarters might be flat for our profession, and then we'll be back on the road to relatively stronger growth than most other professions.”

Within public accounting, demand is highest for auditors, forensic accountants, health fraud auditors and professionals with related designations such as Certified Internal Auditor or Certified Information Systems Auditor, says Aaron Brooks, managing director for The Mergis

Group in Chicago, a professional services division of Spherion.

And, given Barack Obama's focus on financial oversight, government jobs should be plentiful, including work at the Securities and Exchange Commission and the Public Company Accounting Oversight Board, he adds.

Furthermore, with International Financial Reporting Standards (IFRS) on the horizon, professional services firms are on the lookout for people who can help their clients navigate the IFRS waters, Brooks says.

Banking

Within banking, compliance and back-office jobs are going to appear on the buy side at investment management companies in 2009, predicts Robert Olman, president of Alpha Search Advisory Partners in Roslyn, New York, who recently surveyed 780 hedge-fund managers about their employment plans.

Based on the survey results, Olman predicts that a new age of increased regulation and transparency will emerge in 2009, creating many new jobs at hedge funds. "That's a \$2 trillion market with no back office," Olman says. "With new regulations for transparency and reporting that everyone's expecting, they'll be pulling in people from accounting and finance, so if you've done reporting and settlement for other industries, it's not so difficult to move over."

Other in-demand niches in banking for 2009 include compliance and integration specialists who can help merging banks identify efficiencies and economies of scale after mergers, Brooks says. The least-appealing candidates right now are those coming out of money management as well as investment bankers who previously worked in the mortgage-backed securities area, he adds.

Finance

While there are still jobs in finance, companies will continue to be very selective about hiring in 2009, says Richard Paris, CPA, president of M&K Executive Search in New York City. "The competition is going to be intense," he says. "If a company wants 10 attributes in a candidate, then nine is not going to suffice."

Differentiate yourself by being a positive, polished professional and highlighting your technical expertise, proven productivity and ability to add to the bottom line, he advises.

Financial Planning

Demand for financial planners will be high, but the number of out-of-work planners will increase in 2009, predicts Dennis Stearns, CFP, president of Stearns Financial Services Group, a fee-only planner in Greensboro, North Carolina. "A lot of consumers are now distrustful of large banks and brokerage firms and [are] looking for a fee-only planner," he says. However, because most traditional brokerage and bank industry planners take a commission, the mismatch in supply and

demand will lead to layoffs among commissioned planners in 2009, Stearns says.

Any cutbacks would likely be temporary. The Bureau of Labor Statistics puts financial planners among the 10 fastest-growing occupations, predicting a 41 percent increase in employment between 2006 and 2016.

Insurance

Don't expect any large-scale hiring in the insurance industry in early 2009, says Patrick Schmid, research director for the Insurance Research Council. That's because poor economic conditions lead people to cut back on insurance purchases. However, if the economy recovers by the end of 2009, the insurance industry could pick up long before the real estate and financial services sectors do, he says.