



# HIRING TRENDS

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## in Trade Compliance

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# Trade Compliance hiring trends

## Executive Summary

Trade Compliance roles are increasingly in high demand as companies build out their internal teams around the world in response to global events. Partly due to this increase in opportunities, compliance professionals are switching roles more frequently, lured by flexible working packages or compelling bonus offers.

Trade compliance as a function has needed to become more visible in an organisation and, as such, there has been a shift as companies create dedicated Trade Compliance teams that sits more frequently within Legal & Compliance as opposed to Supply Chain/Logistics or Finance, as was historically the case. Salaries are on the rise but there is still a disparity between geographies and regions.

In this report, we share data on all of the above, drawn predominantly from Leonid's own database of placements.

### **SALARIES, BONUSES AND BENEFITS**

Salaries are rising in all regions, partly due to inflationary pressures and partly because of high demand and the war for talent. Trade compliance is still a growing discipline, so businesses are increasing the total headcount of their teams, in addition to replacing those that leave: this is also pushing salaries up.

### **Headline changes to salaries in 2021:**

- US salaries rose by 12–16%
- EMEA & APAC up by 3–6%
- US roles are, on average, being compensated 45% higher than equivalent roles in EMEA & APAC
- The most sought-after professionals are EMEA Trade Compliance Specialists with 4–10 years' experience; this has led to disproportionately higher salaries

We expect to see another jump in 2022 as companies strengthen their teams further.

## Gender Salary Gap

The gender gap is more prevalent in senior roles, with an average gap of around 15%. Mid-level and junior roles are broadly equal.

While trade compliance has traditionally been a more male-dominated world, a recent study shows that, in the US, 54.2% of compliance managers are women. In 2021, 62% of placements made by Leonid in 2021 were female.

## Bonuses

Competition for talent has pushed leaders to re-evaluate compensation structures in attempt to attract and retain talent. Trade Compliance departments have historically offered good salaries rather than bonuses, but this is changing.

As trade compliance departments' reporting lines transition into legal/compliance from supply chain/logistics, this also puts upward pressures on salaries to be in line with lawyers/ethics & compliance professionals.

In 2022 so far, target bonus percentages climbed for all of Leonid's clients, most notably among the more senior roles (Directors and Head of Department positions).

Typical bonuses:

- Global Head — 40%
- Regional/Director — 35%
- Trade Compliance Manager — 25%
- Analyst/Specialist — 20%



*All data based on Leonid's trade compliance placements in 2022*

## Flexible and Remote Working

In this post-pandemic world, we are seeing a noticeable increase in requests for fully remote and hybrid roles and more hiring companies are adapting to these expectations. Businesses which don't offer some degree of flexibility risk losing out on talent to competitors.

Flexible working now typically tops the polls of 'what people want' from an employer — eclipsing salary and benefits, which were most commonly sought-after, pre-pandemic.

According to a 2022 CIPD report, there has been a clear increase in the number of UK businesses offering home working (either full time or hybrid) — up from 5% to 19% – but other forms of flexible working are not being widely embraced, such as the 4-day condensed hours week, part time work, job shares, 9-day fortnights. These forms of flexibility are likely to become a differentiator for employers.

So far in 2022, 100% of the trade compliance roles we have filled offer hybrid (63%) or remote (37%) working.

## Compensation Ranking by Geography

Using Leonid's placement data, we have identified the top 5 paying countries or states across Europe, Asia Pacific and the US:

### Europe

1. Switzerland
2. UK
3. Germany
4. France
5. Netherlands

### APAC

1. China/Hong Kong
2. Singapore
3. Japan
4. India

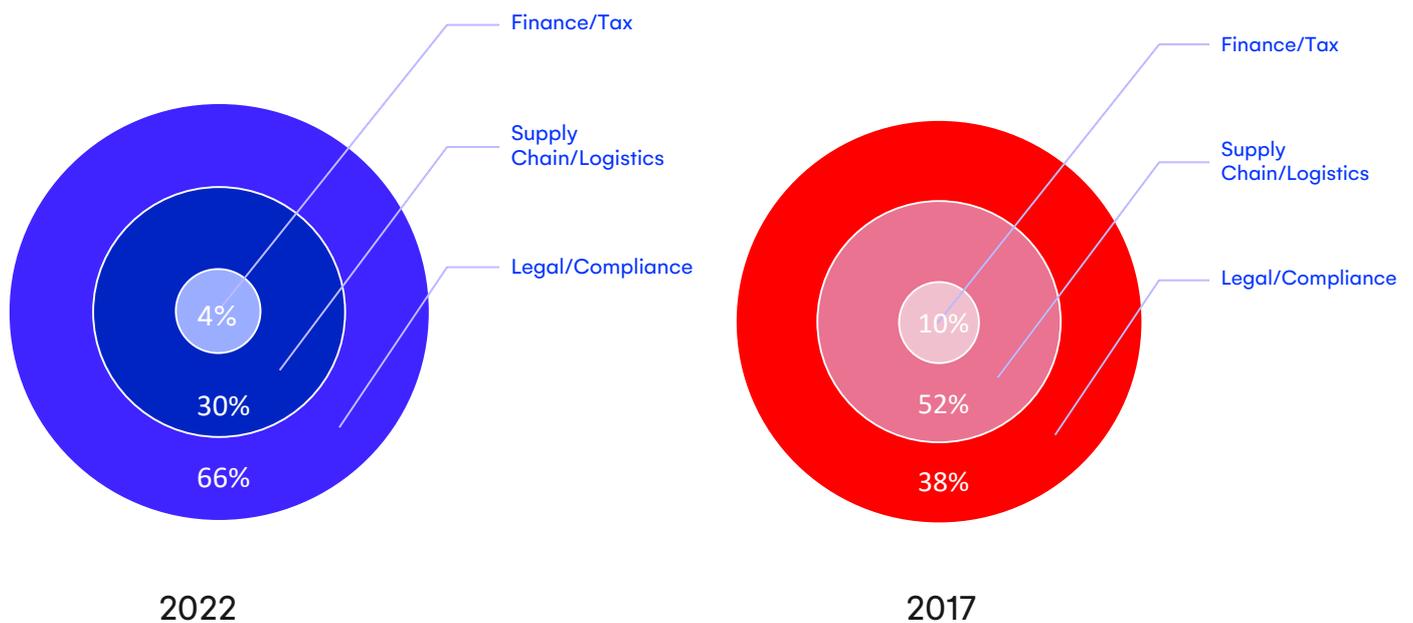
### US

1. Los Angeles/San Francisco, CA
2. New York City, NY
3. Houston, TX
4. Chicago, IL
5. Seattle, WA



## Where does Trade Compliance typically sit within an organisation?

We are seeing a clear shift in this data from 2017 to 2022, as Trade Compliance increasingly sits within the broader Compliance and/or Legal department, with fewer incidences of the role reporting into Finance or Logistics.



## The Great Resignation and staff retention

During the Covid pandemic, the market was unsurprisingly static, as people who might have previously thought about making a move decided to stick with their current employer, rather than take a risk.

Once Covid restrictions lifted, there was a significant surge of resignations and the past 18 months has seen the market experience the ‘domino effect’ of this shift.

Companies have been forced to quickly adapt and, with it being very much a candidate-led market, offer higher salaries and enticing benefits — such as increased flexible working – to take advantage of this larger candidate pool.

## How to retain your top people

In the current market, trade compliance professionals are increasingly more empowered to negotiate with their current employer and if their expectations aren't being met then there is a risk they will 'jump ship'. Therefore, it is vital that employers are proactive in ensuring their teams are remunerated fairly and there may be a need to make adjustments to employee packages outside of the usual pay review dates and outside of the normal incremental increases. If salary raises are not feasible then looking at offering more flexibility or adding a benefit in kind, such as an electric car lease or improved healthcare/pension benefits, could be options.

The last thing an employer wants is to get to the stage where an employee has resigned and then a counter-offer situation arises. This is undesirable for many reasons, most notably that the counter-offer will typically need to be higher than a raise offered prior to resignation. Additionally, accepting a counter-offer changes a working dynamic which can ultimately prove to be untenable in the long term. Statistically speaking, 50% of employees who accept a counter-offer will leave the company within 2 months, and 87% after 6 months.

Typically, the average tenure of trade compliance professionals with one employer is fairly steady, but does vary significantly according to geography:

- Germany – 7.5 years
- France – 7 years
- Switzerland – 6 years
- UK – 5.8 years
- US – 4.1 years



## Case Study



### How Weatherford adapted its hiring strategy in response to market changes

Leonid has worked with Weatherford International — an energy business — on an ongoing basis, to help build their Ethics & Trade Compliance department from the Global Head to the Analyst level around the world. This client is an interesting example of a business that switched up its hiring strategy to respond to many of the changes in the market which we have explored in this report.

Weatherford's salaries had typically been very competitive, but post-pandemic, they fell behind the curve. We advised them to adjust their offers accordingly, in order to be able to attract the very best talent. Likewise, when searching for their new Chief Compliance Officer, we suggested that making remote working an option would significantly increase their chances of finding the best person for the role, which they did, and it subsequently proved to be successful.

When hiring for their APAC Trade Compliance Officer, in terms of geography, Weatherford had offices across the Asia-Pacific region and were unsure of where to focus their efforts when starting the search. We advised them to concentrate on Singapore — where there is good availability of highly qualified and experienced compliance professionals — and Kuala Lumpur, with its strong defense industry presence, which makes a good hunting ground for trade compliance.

Finally, having previously made trade compliance a part of their Supply Chain & Logistics department, Weatherford moved the team to sit within the Legal & Compliance team.

Having made these adjustments to their hiring strategy, Leonid was able to successfully fulfil a number of key compliance roles across the UK, Europe, Middle East, US and APAC.

## What does the future hold?

In terms of the trade compliance hiring market, we expect to see continued growth across customs, trade, export controls, and sanctions, with the overall function now increasing in importance given what is happening across the globe — factors such as the Russian invasion of Ukraine, the potential conflict between China and Taiwan, and increased DoJ enforcement – the demand for trade compliance talent is higher than ever. As such, teams are growing; they aren't simply hiring when someone else leaves, and this is keeping the market very buoyant for job-seekers.

The key to winning the war on talent is to be proactive and flexible. Businesses need to ensure they are offering competitive salaries and benefits alongside a willingness to take on more flexible working requests. Those companies which don't adapt risk losing out on talent and facing lengthy and costly re-recruitment processes.

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For any questions or an informal chat on the trade compliance recruitment market, please feel free to reach out to [Jamie@leonid-group.com](mailto:Jamie@leonid-group.com)

