



ROBERT WALTERS JAPAN
**LEGAL, COMPLIANCE & RISK
MARKET REPORT**

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The talent shortage in the Japanese labour market intensified in 2016, leading to a sustained lack of specialists across a broad range of sectors. As the globalisation of both foreign-affiliated and Japanese companies progressed, the demand for skilled, bilingual professionals continued to rise irrespective of industry or job title, making it challenging to attract talent. This candidate short market seen throughout 2016 looks set to continue in 2017 as companies compete for scarce talent - especially bilingual professionals.

LEGAL & COMPLIANCE HIRING TRENDS

We saw reduced hiring for Legal in-house roles in 2016, with minimal growth and mainly replacement hires, with the exception of the Technology and Pharmaceutical industries, where we saw a demand for mid-level hires. We anticipate a similar pattern moving into 2017. A shortage of bilingual qualified lawyers continued to cause steep competition in the market. Compliance continued to be an active space with increased demand within advisory, control room and surveillance. We saw less growth and more replacement hires than the previous year, but extensive movement of candidates between firms created an active job market. This is a trend we expect to continue in 2017, with anticipated demand from buy side businesses due to new and stricter regulations in this sector.

RISK HIRING TRENDS

The market remained relatively static in 2016, with most foreign businesses focused on recruiting candidates on a replacement basis. In the credit risk space, in particular, firms trimmed their respective teams as most businesses focused on increasing headcount in lower cost centres. Nonetheless, both foreign and domestic organisations were keen to hire Japanese and non-Japanese multi-lingual junior candidates to develop their talent pipelines, a trend we expect to continue into 2017. On the market risk side, both domestic and Japanese firms were static in hiring. However, more technical and specialised groups within banking businesses increased numbers in areas such as Risk Analytics and Model Validation.

SALARIES

There will be some variations in salary increases for job movers in 2017. Particularly, we expect salaries for Private Practice fee earner roles at the senior or Partner level to increase by over 20%. Buy side legal and compliance roles will see salary increases of up to 20% when they move to a new role, and since this is perhaps the most candidate short market, companies are likely to adapt and demonstrate flexibility when hiring. Salaries will increase by up to 10% for Bengoshi qualified candidates as well as candidates who can work in consulting firms. The majority of these candidates will see salary increases of up to 5%.

COMMENT FROM GEORGIA WHITING MANAGER - LEGAL COMPLIANCE & RISK:

"We are going to see a continued appetite to hire bilingual professionals moving into 2017, as businesses continue to strive for globalisation. As the challenge to find bilingual talent in the market is likely to continue, it is important that employers endeavour to remain competitive by offering attractive remuneration, progression opportunities and work-life balance."

TO DISCUSS YOUR RECRUITMENT REQUIREMENTS, PLEASE CONTACT:



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