

2021

GARP RISK CAREERS SURVEY

Executive Summary





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CURRENT TRENDS AND FUTURE INSIGHTS

Despite the global challenges individuals and organizations experienced in 2020, a majority of risk professionals are optimistic about the outlook for risk management careers. A combination of factors, including the global pandemic, economic uncertainty, a shortage of risk skills, and growing regulation, is increasing both the importance of risk management as well as the workloads of risk professionals. According to the Global Association of Risk Professionals' Risk Careers Survey 2021 report, organizations' elevated demand for risk management will create career opportunities well into the future, with increases in hiring, salaries, and the need for additional skills. The survey, conducted in late 2020, drew more than 2,100 respondents in 101 countries and regions across the Americas; Europe, the Middle East and Africa; and Asia-Pacific. Below are key highlights of GARP's survey findings.

OUTLOOK FOR CAREERS IN RISK MANAGEMENT

Sixty-nine percent of respondents expect their career opportunities over the next 18 months will increase, and almost one-third said opportunities will increase significantly.

Figure 1: Career Opportunities Over the Next 18 Months

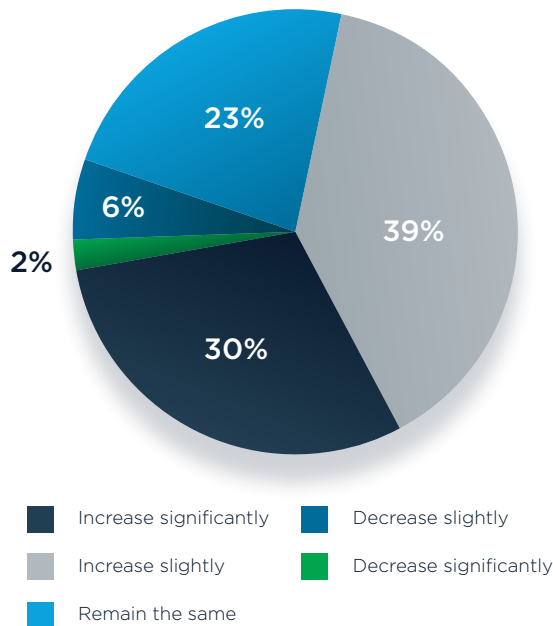
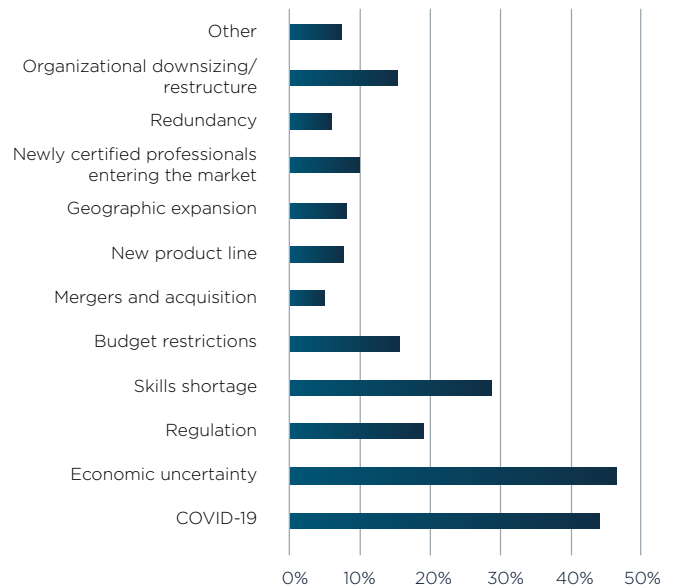


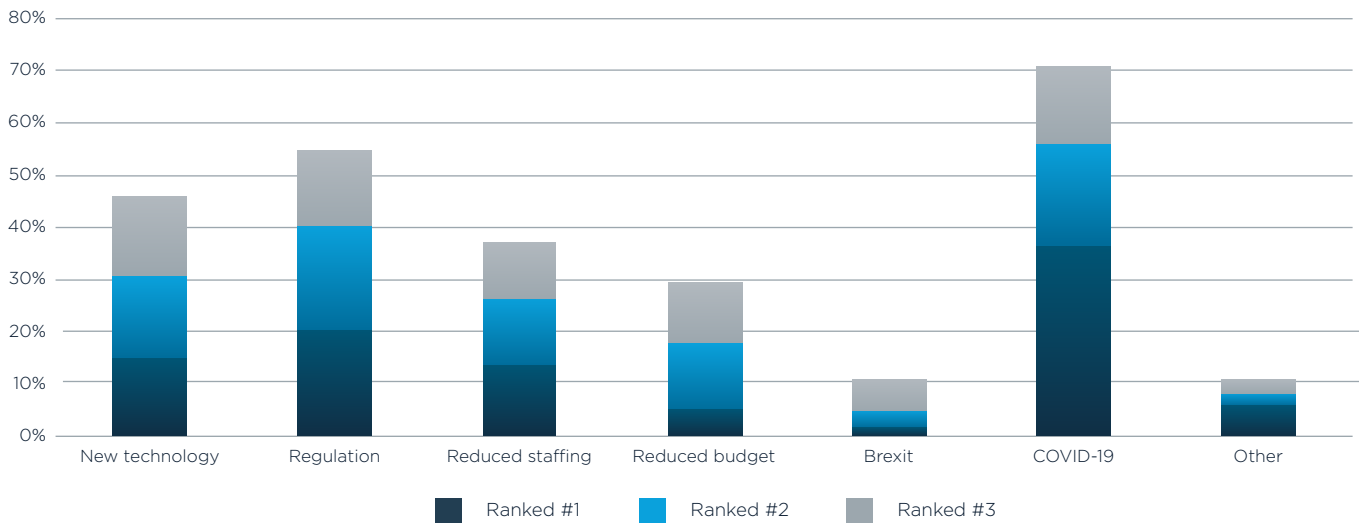
Figure 2: Factors Impacting Future Career Opportunities



CAREER AND WORK

Risk professionals' workloads increased for a majority of respondents: 37% said their workload increased significantly, while 33% said it increased slightly, and only about 10% said their workload decreased. Fifty-four percent of hiring risk managers reported that they feel their department is currently insufficiently resourced for the demands being placed on it, with COVID-19 and regulation creating the biggest impact on workloads. (See Figure 3)

Figure 3: Key Factors Impacting Workloads



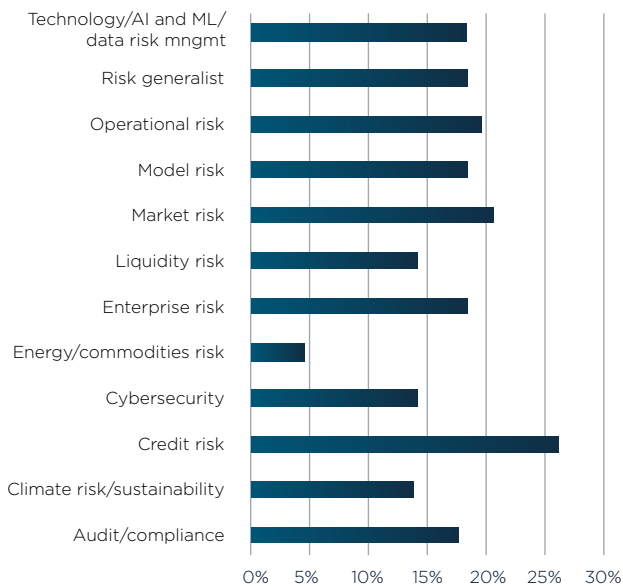
HIRING TRENDS

More than half of all respondents expect their organization’s risk management department or function will increase staff during 2021. Only 7% believe staffing will decrease.

Globally, 27% of respondents are responsible for recruiting risk personnel. Among those professionals, the five most significant recruiting challenges they anticipate are: technical skills, level of experience, breadth of experience, interpersonal and soft skills, and qualifications.

Respondents said the technical skills most in demand in the next 12 months include, in descending order: credit risk, market risk, and operational risk.

Figure 4: Technical Skills Sought by Hiring Managers in 2021



Asked to list the additional skills that may be a priority to obtain for both their current career and future career progression, respondents’ answers showed the skills they expect to need in the future are different from those they need today. For example, in their current career, most placed high importance on:

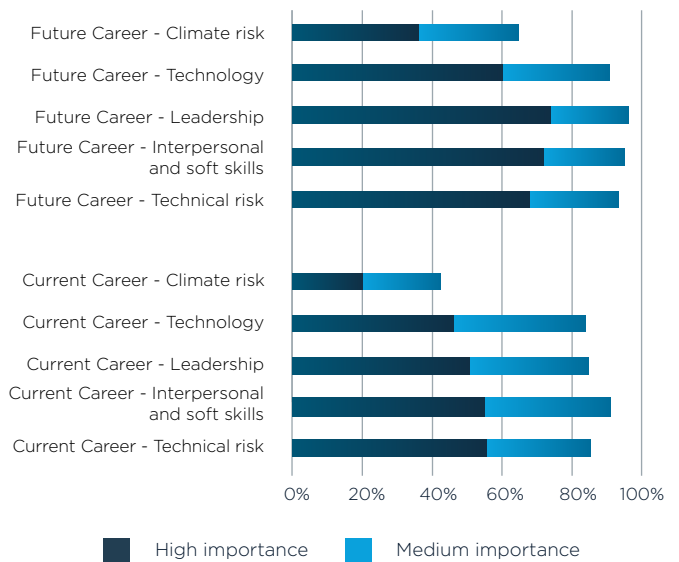
- Technical risk management skills
- Interpersonal/communication/presentation/soft skills
- Leadership/management skills

For their future career progression, however, most said they will need:

- Leadership/management skills
- Interpersonal/communication/presentation/soft skills
- Technical risk management skills
- Technology skills

Respondents also placed high importance on the ability to assess climate risk as a future career progression requirement.

Figure 5: Top Skills For Current and Future Roles



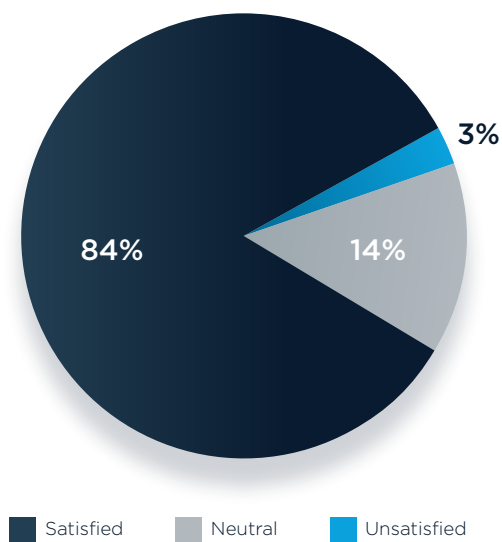
SKILL ACQUISITION

The overwhelming majority of risk professionals, 95%, consider lifelong learning and additional skills as required for their current roles. More than 95% dedicate time to learning and developing new skills, the GARP survey found. Almost 36% spend up to 8 hours per month, while 33% spend four or five days per month, and 26% set aside two or three days per month.

CAREER SATISFACTION

Career satisfaction is high among risk professionals. More than 70% expressed satisfaction with their risk careers, and nearly 84% would recommend risk management as a career. Almost 6 in 10, however, 59%, said they are searching for a new position. Of those searching for a new role, the reason cited by 55% was future career progression or new opportunities.

Figure 6: Would You Recommend Risk Management as a Career?



COMPENSATION OUTLOOK

Just as the outlook for risk career opportunities is bright, so, too, is the outlook for risk professionals' compensation. Among respondents, almost half, 46%, said they expect to receive an increase in their annual compensation in 2021, while 20% were neutral. Only 23% considered an increase in their compensation unlikely.

One in four reported that their salary had stayed the same in the past 12 months. Among the 69% of respondents reporting that their salary had positively changed:

- 39% said it increased by 1% to 5%
- 14% said it increased by 6% to 10%
- 8% said it increased by 11% to 20%
- 21% said it increased by more than 21%

CONCLUSION

Risk managers are working hard, and over 80% said they are likely to be working from home at least some of the time in the future. Despite higher workloads and other challenges, risk professionals have high levels of job satisfaction, and most expect their compensation to increase. The future of the risk profession, according to the GARP survey findings, looks bright.

To read the full Members-only report, with highly detailed geographical and compensation insights, [become a GARP Individual member](#).

INFORMATION ON GARP

The Global Association of Risk Professionals is the leading professional association for risk managers, dedicated to the advancement of the risk profession through education, research and the promotion of best practices globally. We educate and inform risk professionals, at all levels, from those beginning their careers in risk, to those leading risk programs at the largest financial institutions across the globe, to regulators that govern them. For more information, please visit www.garp.org.



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ABOUT GARP | The Global Association of Risk Professionals is a non-partisan, not-for-profit membership organization focused on elevating the practice of risk management. GARP offers role-based risk certification – the Financial Risk Manager (FRM®) and Energy Risk Professional (ERP®) – as well as the Sustainability and Climate Risk (SCR®) Certificate and on-going educational opportunities through Continuing Professional Development. Through the GARP Benchmarking Initiative and GARP Risk Institute, GARP sponsors research in risk management and promotes collaboration among practitioners, academics, and regulators.

Founded in 1996, governed by a Board of Trustees, GARP is headquartered in Jersey City, N.J., with offices in London, Washington, D.C., Beijing, and Hong Kong. Find more information on garp.org or follow GARP on LinkedIn, Facebook, and Twitter.

HEADQUARTERS

111 Town Square Place
14th Floor
Jersey City, New Jersey
07310 USA
+1 (201) 719.7210

LONDON

17 Devonshire Square
4th Floor
London, EC2M 4SQ UK
+44 (0) 20 7397.9630

WASHINGTON, D.C.

1001 19th Street North, #1200
Arlington, Virginia
22209 USA
+1 (703) 420.0920

BEIJING

1205E, Regus Excel Centre
No. 6, Wudinghou Road
Xicheng District,
Beijing 100011, China
+86 (010) 5661.7016

HONG KONG

The Center
99 Queen's Road Central
Office No. 5510
55th Floor
Central, Hong Kong SAR, China
+852 3168.1532