

Macro Thought Leadership – Fishing in the Wrong Pond?

The current financial landscape continues to challenge investors. Outperforming competitors is about being right about the future more often than they are. And that's getting much harder.

No single market analytical compass gives investors a true bearing. Instead, investors are having to analyse multiple scenarios, only some of which, or perhaps even none, may be right.

Part of the problem is knowing what policy makers are likely to do next. Governments and central banks continue to intervene in financial markets, often driven by political and social factors outside the financial domain. The result is a growing feeling among investors that policy makers are no longer the rational and predictable 'adults in the room' they once were.

Meanwhile society itself is going through profound change. Changing demographics, new technologies that overturn established ways of doing business, and the growth of populism all distort conventional financial analyses to make them unfit for purpose.

Investment banks and hedge funds typically hire the brightest financial talent, but that's no longer enough. Increasingly, successful investor strategies depend on much broader, non-financial social and political analyses. And the people most in touch with trends in these areas, and the best weather vanes to the prevailing political winds, don't necessarily work in commercial banks, nor start their careers there. Future thought leaders are more likely to be associated with organizations like the IMF, the Bank of England, the Federal Reserve, or to be working as special advisors to political leaders.

Organizations looking to navigate the macroeconomic landscape over the next five years and beyond should consider their current talent profile. Could it be improved by hiring not just the brightest talent from other investment banks and asset managers, but from supranational, academic and public organizations?

The financial institutions that will survive and thrive amid the current turbulent economic landscape are those that look again at the core talent they need to compete. Will hiring the best and brightest from the usual financial talent pools be enough? As any fly fisherman knows, it doesn't matter how good your lure if you're fishing in the wrong pond.

Instead, forward thinking search consultants have begun to challenge conventional wisdom and cast their rods for people with backgrounds in political economy - those who understand and can predict the fast-changing social and technological undercurrents on which financial markets increasingly depend.



Sheffield Haworth has an extensive global track record placing macroeconomists from multiple candidate pools. For more information please contact:



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