



The Spotlight

The Spotlight is a regular Q & A feature that showcases our people, their expertise, and trending topics that are on top of our clients' minds directly from the voices of our business leaders.



Ray Everett, President, McLagan

Ray Everett is the president of McLagan, responsible for overseeing the firm globally. Previously, Ray led our Asia Pacific, Middle East, and Africa practices, where he conducted executive compensation consulting assignments, managed the regions' survey programs, and worked with key clients. Ray has significant experience designing and implementing annual and long-term incentive plans, carried interest plans, performance management systems, and job architecture. He also advises the boards, remuneration committees, and management of many of our global clients.

Questions and Answers

From a global perspective, what do you believe was the most significant change that occurred in 2018?

I expect that the disruption of technology will continue impacting all financial services sectors for some time, although to varying degrees across sectors. In Europe and the Asia Pacific, we are seeing continued regulatory pressure, while in the U.S., this pressure is starting to decline. Interestingly, the regional differences in the application of regulations on financial services firms is exactly what the G20 leaders were trying to prevent with the introduction of the Financial Stability Board during the global financial crisis. Yet, this regional bifurcation continued to get worse in 2018.

What is the mindset of financial services firms after this year?

I think 2018 will be a tipping point year, especially for U.S. banks. With declining regulatory pressure and increasing margins, the financial performance of most banks globally is steadily improving. Ten years post financial crisis and addressing regulations, the business strategy (key products and locations) is answering the question, "what now?" Will the largest global banks look at expanding in certain global markets? Will any of the U.S. superregionals expand internationally? And, as I continue to expect, will we see a Chinese or Indian bank go global?

If you could describe today's financial services industry in three words, what would they be?

Exciting, Disrupted, Restrained-optimized.

While the industry looks positive, how should firms balance uncertainty going into 2019?

I believe financial services firms must embrace technological innovation. There are some that believe that the industry will not be significantly challenged by technology disruption given the regulatory requirements. However, I anticipate that in 2019, firms will make selected, albeit conservative, bets in new or expanded markets and products.

How will McLagan support the rising demands of the digital future?

Like almost every firm, McLagan is undertaking its own significant technology initiatives. We feel that improvements made in our survey delivery technology and online platform, McLaganLive, signify huge strides. But there is more to do, from exploring how we leverage AI to looking at the best way to host third party data, obtaining data from our clients on a more routine basis (e.g., weekly, fortnightly, monthly), and integrating data from our Aon colleagues in Health & Benefits and Retirement & Investment. Most importantly, we are working on getting our survey results to clients faster!

At the same time, we are also focused on helping clients deal with their own technology disruption issues. Powered by Radford is a new product we've launched to give our clients access to Radford's technology reward data and our Talent & Rewards Side-by-Side Report that compares practices across both industries.