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## **Workers told to move abroad or else. ..**

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Moving boxes have become a common sight at Wall Street firms, where tens of thousands of bankers and traders have been laid off as the credit squeeze drags on.

But a few of the people packing up and saying goodbye are holding passports rather than pink slips. And some are being told to move abroad — or else.

As Wall Street's troubles deepen, big investment banks are sending some key employees to increasingly influential hubs of finance in Asia, the Middle East, Europe and Latin America, regions where the banks had already been building up business to tap rising growth potential.

This trend is happening alongside another that is funnelling jobs from traditional financial centres such as New York and London. Because of price pressure, jobs lower down the corporate ladder are moving overseas, especially to India.

For many bankers, moving abroad is an experience they had always wanted. For the banks, the relocations are a way to retain skilled workers who might otherwise be caught in waves of layoffs that have already claimed 80000 finance jobs globally.

**“Banks such as Morgan Stanley and Merrill Lynch are playing musical chairs,” said Gustavo Dolfino, president of the WhiteRock Group, a finance hiring firm. “Why are they doing this? They want to keep the talent.”**

**Relocating workers, although expensive, makes sense because record revenues are flowing in from places other than Wall Street. For a number of bankers, though, the moves are less voluntary.**

**“Some are being told: ‘I don’t care if your wife has to stay here, this is what you have to do,’ ” Dolfino said.**

Banks only release global redundancy figures, so it is difficult to quantify how many Wall Street positions have moved elsewhere, and New York City figures on finance employment lag behind the companies' announcements.

Yet, as options narrow, even some laid-off workers who were not offered a transfer are beginning to take calls from financial companies with operations abroad.

“I’ve spoken to people who, three or four years ago, literally refused to relocate. Now they’re open to moving,” said Jeanne Branthover, head of the global financial services practice at

Boyden Worldwide, a recruiting firm. “They do not see growth or change in this market in the near future.”

Recent activity at her company is telling. Boyden’s revenue from placing people in finance jobs was about flat, globally, in the first quarter. But its placement revenue in Russia was up 73%, and China and Dubai were each up over 300%. In New York, though, revenue from finance placements was down 24%.

JPMorgan Chase, which acquired Bear Stearns when it nearly collapsed in March, is continuing to hire overseas even as it whittles its New York base. For example, the commodities trading group has hired 126 people in the last year, of whom 85 are based abroad in markets like Singapore and Hong Kong.

“In the past everything was done out of New York, and that was the place to be,” said Nicolas Aguzin, the head of investment banking for JPMorgan in Latin America, which has added bankers in Brazil, Mexico and Colombia over the last year. “But now everyone has decided to go local and to go quite aggressively.”

On top of the foreign transfers, banks are also hiring locally. In the last six months, Merrill Lynch recruited a team of bankers from Brazil for that office, and JPMorgan Chase has hired in the Middle East and Asia.

Credit Suisse plans to double its investment banking and private banking staff in India over the next year and moved its global head of financial institutions to Hong Kong from New York this summer.

And the longer foreign markets outperform developed economies, managers say, the more permanent the shift in power may become.

“Pools of capital will move to where the industry sees an expansion of opportunities,” said Edith Cooper, head of human management at Goldman Sachs.

“I don’t know whether it’s as much ‘there’s not enough to do here, so we’ll go somewhere else’,” Cooper said. “Rather it’s more of a reflection of our clients and the growing businesses in China, India and Middle East.”

The shift is also changing the concept of being an expatriate employee from a temporary jaunt to one that might be more permanent, Cooper said.

Sheila Patel, Goldman’s head of equities for Southeast Asia, moved to Singapore from New York in May, even though her division was not stagnating. “Is there a set time that I expect to be in Asia?” Patel said. “Not really. I could see spending my whole career here.

“Every generation searches out its opportunity set and looks for growth,” she said. “Nobody thinks of somebody moving to New York as an expatriate. Somehow, in other global cities, there’s been this concept.” — ©(2008) The New York Times

