



#Buysidementalhealth Benchmarking report May 2021

The Buy-side Trading Community (BTC) owned and operated by K&K Global Consulting Limited, a bespoke consultancy in the UK since 2009, championed their second humanistic campaign #buysidementalhealth.

<https://www.buysidementalhealth.com/>

Background:

The importance of caring about people's Mental Health, was already brought to the spotlight during the #buysidewomen campaign, the BTC championed in 2019 on their 10 year anniversary. The #buysidewomen campaign objective was to draw attention to the lack of females on the trading desk across the buy-side trading community globally. Their pro-gender diversity benchmarking data was leveraged by the Investment Association and AFME in 'a call for shorter exchange trading hours' which led to a consultation by the London Stock Exchange Group and Euronextⁱ. For more information please see a link to the AFME consultationⁱⁱ. The campaign attracted global media coverage and featured articles from the Financial Times, Handelsblatt, Bloomberg, The Trade and Financial Newsⁱⁱⁱ.

In 2020, the Covid-19 pandemic forced the capital markets into an immediate Working From Home (WFH) set up. In an Alpha Trader Forum Business Continuity Planning (BCP) workshop^{iv} on the 28th April 2020, many buy-side stated that their existing BCP planning pre-Covid19 did not cover a pandemic to the extent that staff quickly had to create a workstation set up at home and some resorted to purchasing monitor stands from online retailers. The profile of the trading desk rose as traders were seen as they 'eyes and ears' to the street with daily updates and internal education programmes about speed of access, execution and liquidity.

The buyside traders had to work closely with their sell-side brokers on market intelligence and mechanics in a truly collaborative model.

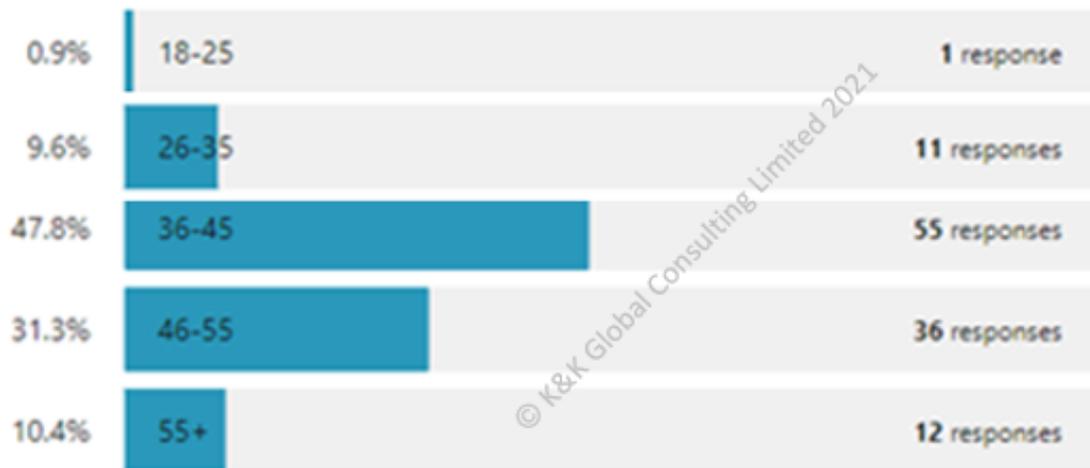
Following challenges with the impact on Mental Health was cited as a very key emerging issue and worry amongst the BTC. On Mental Health Day 2020, Anita Karppi Co- Founder of the BTC created an awareness campaign and started to collect quotes from senior, heads and global heads of trading to share on social media. In April 2021, with mental health cited as an ongoing key issue for the community, a benchmarking survey was created to understand key issues and problem areas as well as patterns and areas which need urgent attention by asset managers and hedge fund firms globally.

#Buysidementalhealth humanistic campaign:

In May 2021, The BTC completed a benchmarking survey with 116 senior, heads and global heads of trading from asset managers and hedge funds globally. The survey opened on the 29th April and closed on the 6th May 2021. The majority of respondents were in the 36 years and above age-group, with various sizes of trading teams and half of the global survey participant group was based in the UK.

✓ 1 Which age bracket are you?

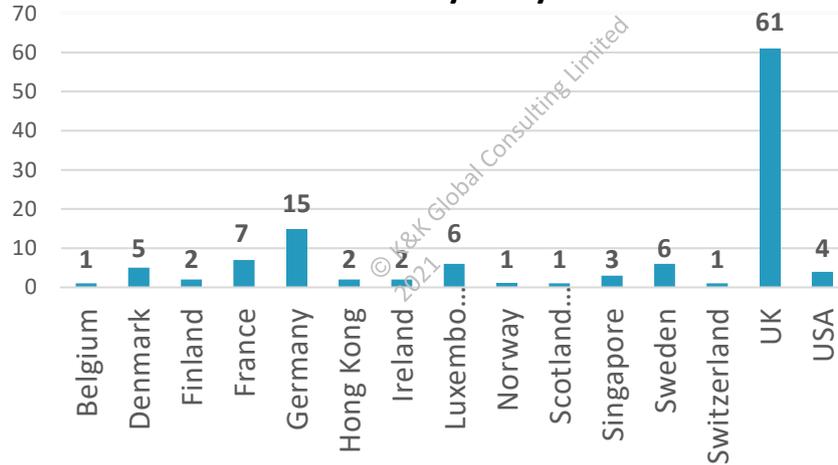
115 out of 116 people answered this question



2. How many traders are there in your trading team?



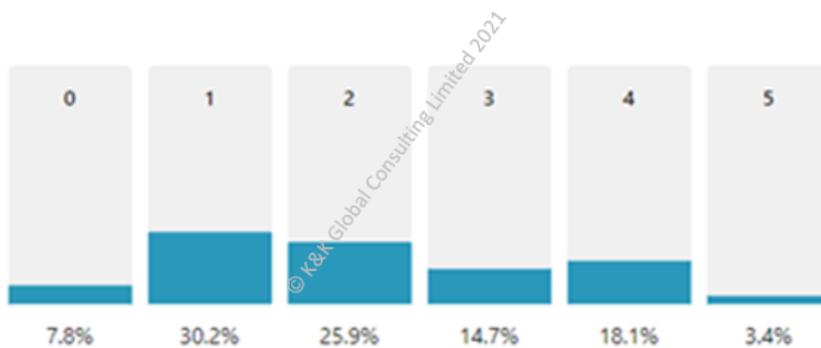
3. Which country are you located in?



Mental Health during the Covid-19 pandemic:

62% of respondents cited that they had experienced problems with their Mental Health, with many citing the stress, pressure and lack of work/life balance as their main underlying reasons. This verifies the stigma attached to trading and the capital markets which has been a constantly reoccurring issue for the industry for decades. Traders have commented that they have felt that during the Covid-19 pandemic they have experienced each segment of chart 6 below.

6 On a scale of 1-5 - how much do you feel that your mental health has suffered during the Covid-19 pandemic? [single choice] Avg. 2.2
116 out of 116 people answered this question



Scale:

0 – Nothing at all

1 - No, I have not suffered any more than usual

2 - Yes, I have felt the boredom and isolation but it has been manageable.

3 - Yes, I have suffered but found activities / procedures to cope myself.

4 - Yes, it has been a tough time but I am coping.

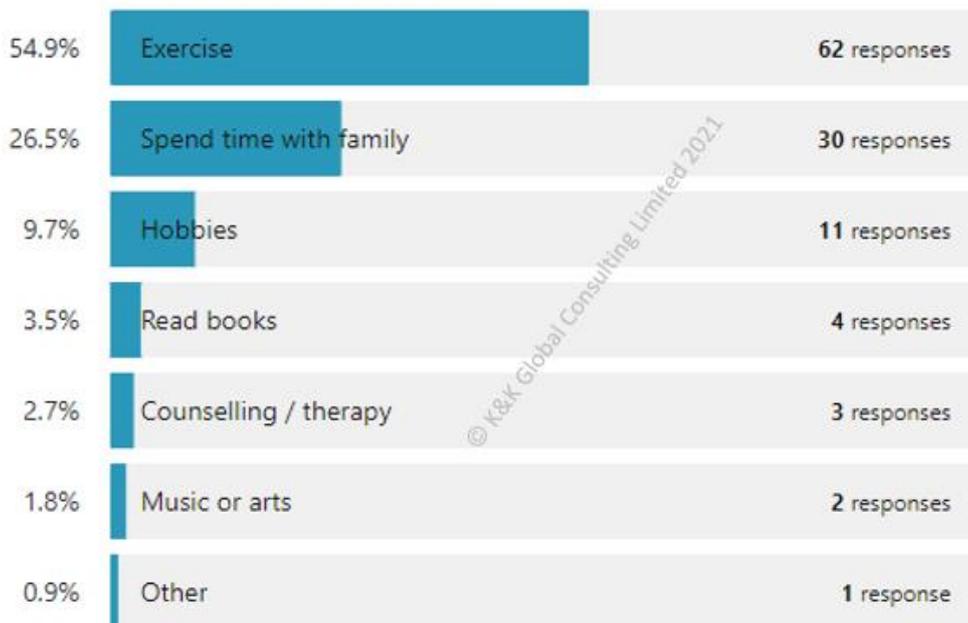
5- Yes, I feel/have felt close to the breaking point and ideally would have need/would have needed assistance.

Mental wellness:

54.9% of respondents mentioned that they allocated extra time to exercising as their primary remedy to maintain their mental health. 26.4% prioritised spending more time with their families but many of the respondents found it difficult to shut off from work as the barriers between home and work had blurred with many traders working from their spare rooms, bedrooms and kitchen tables. One trader mentioned stopping to breathe and meditate was sometimes more important during the working day than a run at lunchtime.

✓ 10 How have you taken care of your mental wellness over the past year?

113 out of 116 people answered this question



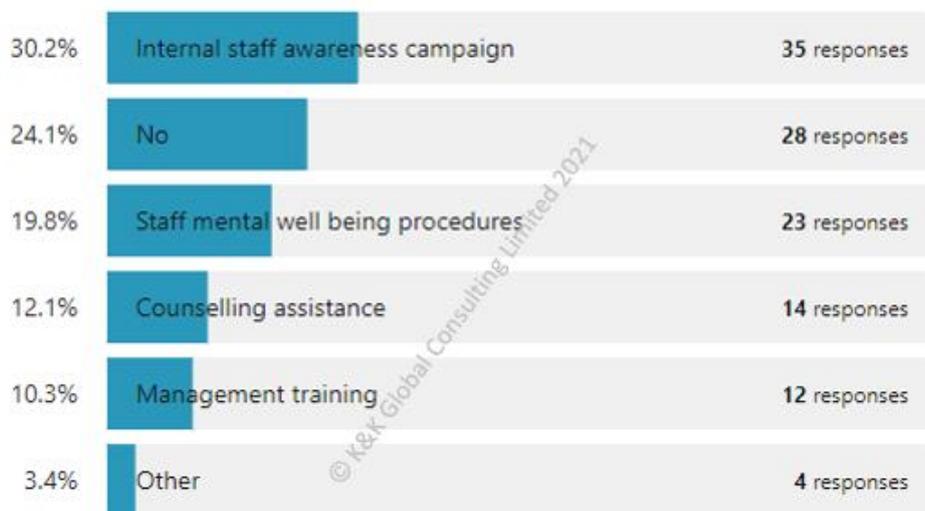
Getting help for mental health issues:

Concerning analysis showed that 24.1% of traders cited that their firms has not issued any guidance on mental health. 42.1% stated that they would seek professional help, 24.6% stated they would their manager and 21% stated they would not know who to reach out too which is extremely concerning statistics. The BTC would like to see **a call to action** for all asset management and hedge fund firms to take a very close look at this statistics and to implement an effective mental health action plan as soon as possible for all of their staff members globally. Buyside traders, who's employers had implemented actions, cited dedicated Mental Health First Aider training courses and

training on the “Ask Twice” campaign” which is a social movement campaign funded by the Department of Health and Social care started in March 2007 and which closed at the end of March 2021.

✓ 5 **Has your employer issued any form of guidance about mental health?**

116 out of 116 people answered this question



✓ 7 **If you suffered from mental health symptoms, would you discuss it with:**

114 out of 116 people answered this question

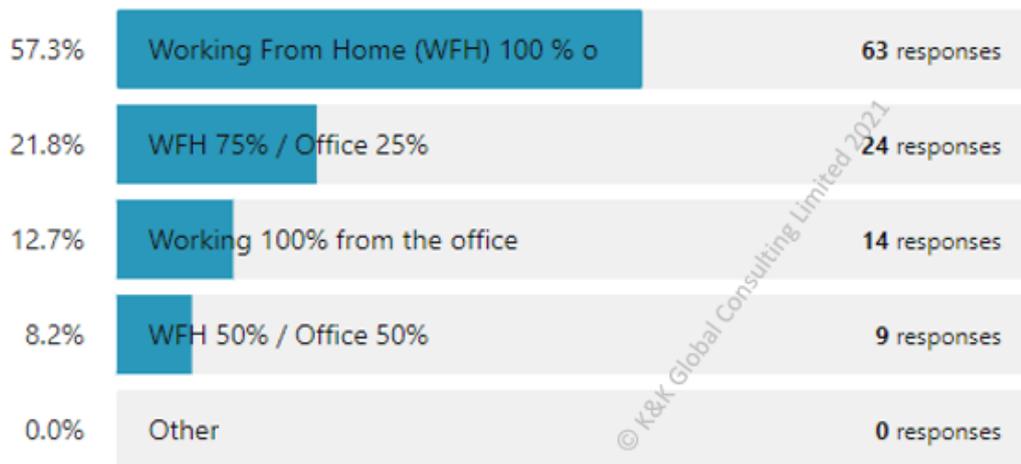


Working patterns post the Covid-19 pandemic:

57.3% of respondents were still exclusively working from home and 85% stated that their employers were currently looking at the way that their workplace was going to be operated over the next few months.

✓ 4 Are you currently:

110 out of 116 people answered this question



✓ 8 Is your employer currently looking at how to organise your working environment post the Covid-19 pandemic?

116 out of 116 people answered this question



Disadvantages from Working from Home and the ideal working environment:

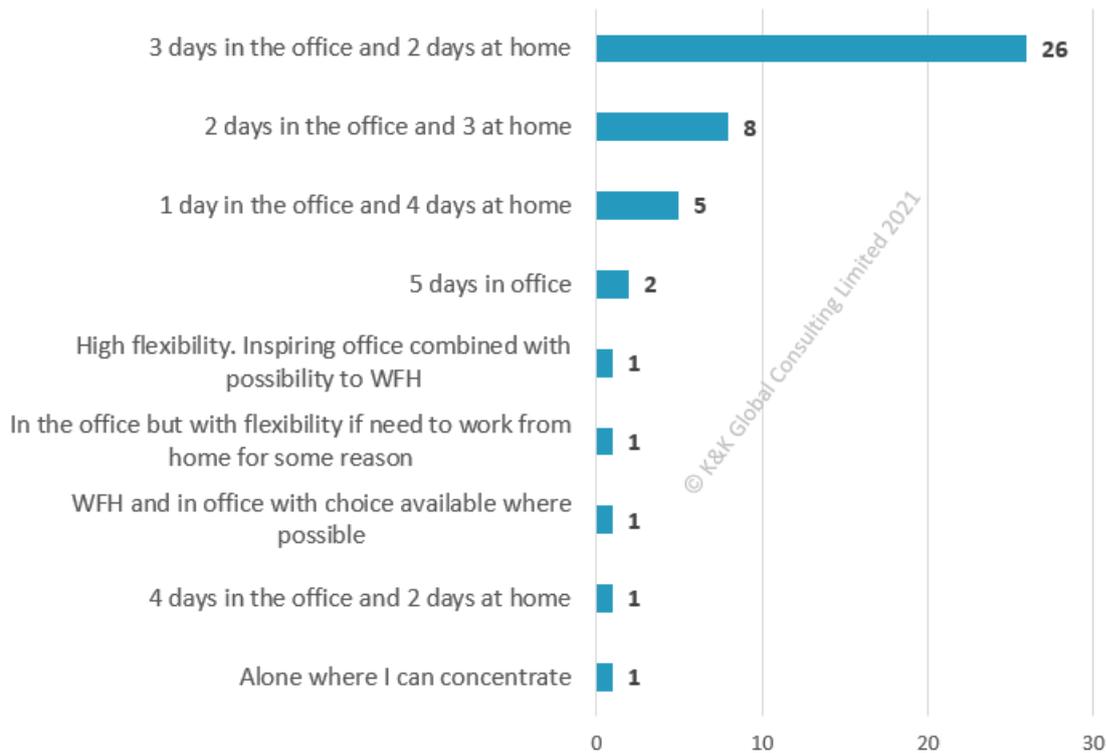
With the uncertainty and government restrictions that riled 2020 following Covid-19, traders were forced to continue working from home for a longer period than they would have imagined in their working career. Interestingly, the social interactions that a workplace offers and time with working colleagues is an important element to consider, however the newfound flexibility is called for as a positive change amongst the traders. A once very rigid working environment, with no 'Working from Home' elements, needed to be addressed. Employers need to understand the issues that their staff faces and factor it into their mental health care action planning over the next weeks and months.

✓ 9 What are the key disadvantages from Working From Home during the pandemic?

113 out of 116 people answered this question



12. What is your ideal working environment?



Additional commentary from Buyside Traders:

- “Flexible working environment (office or home, depending on employee's needs and preference, and employer's needs as well. A win-win environment). Administrative practicalities being handled by employer in a clear and timely manner (information and working guidelines during Covid times. Facilities for work at home and office being supported and kept up to date. Employees should be free of all the noise, in order to be secured a hassle free worktime. Guidance, help and support in case employee suffers mental stress or illness. Make social arrangements that all can access via Teams, Zoom or other platforms”.
- “A good flexibility between WFH and in the office. Good coordination in the team with flexibility in a demanding job”.



Conclusions:

Mental Health issues have been amplified during the Covid-19 pandemic and asset management and hedge fund firms need to carefully consider action plans and programmes to help their employees within this area.

More effort and planning need to be in place to cope with the issues that will arise with employees returning back to the workplace to ensure that concerns and wellbeing are taken seriously.

The Buyside Trading Community calls for Asset Management firms and Hedge Funds to consider the following:

- Effective mental health recovery and maintenance plans issued to all employees on a regular basis.
- Review HR plans promoting flexibility within the workplace to allow more work/life balance for their staff and an effective plan tailored around each employee and team.

ⁱ <https://www.kandkgc.com/shorter-exchange-trading-hours>

ⁱⁱ [https://cdn.roxhillmedia.com/production/email/attachment/770001_780000/Proposal%20for%20Review%20of%20Market%20Hours%20in%20Europe%20\(06-11-2019\)%20PRESS.PDF](https://cdn.roxhillmedia.com/production/email/attachment/770001_780000/Proposal%20for%20Review%20of%20Market%20Hours%20in%20Europe%20(06-11-2019)%20PRESS.PDF)

ⁱⁱⁱ <https://www.kandkgc.com/shorter-trading-days-campaign>

^{iv} The Alpha Trader Forum (ATF) is a service owned and operate by K&K Global Consulting Limited
<https://www.kandkgc.com/atf-buy-side-forums-2020>

^v <https://www.time-to-change.org.uk/asktwice>