

## Research and Development

The role of Research and Development in a company depends on the type of business and the industry it sits within. The purpose of Research and Development is to understand the marketplace, so in a large financial services company it would involve understanding what products (e.g. loans such as credit cards or mortgages) and services (e.g. online banking, telephone banking, etc.) are already available, which ones work well and are popular (and which ones are not popular), and what customers need and expect from a bank or building society. It is then the department's role to make sure that their company meets those needs and wants (i.e. knowing the customer better than they know themselves) by putting forward recommendations for improvements. Research and Development is therefore a really important department which helps to support every other department within the business.

Some industries, like financial services or pharmaceuticals, are regulated by the Government and external bodies. All of their rules and regulations impact on the Research and Development department, so they will need to know exactly what they can and cannot do within their industry.

There are a few main roles in a Research and Development sitting within the financial services industry, including:

- Analyst
- Policy Manager
- Head of Policy and Strategy



An **Analyst** is responsible for looking at the key data (this might be in the form of charts, grids or databases) for their area of the market. (For example, if working for a building society an analyst might focus on the number of new accounts opened while another focuses on the number of accounts closed.) Gathered data is then analysed by studying it and looking for patterns (good and bad) and errors, before making recommendations on how to improve or how to continue doing the same good job.

There are many different types of analyst within the department so duties would vary depending on the type of information they work with and level of responsibility. Typical duties include researching market patterns, analysing key data, preparing and presenting reports to senior team members and explaining the results and recommendations. Communication is therefore an important employability skill.

Salaries start at around £29,000 depending on the exact role, industry and experience.

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A **Policy Manager** is a crucial role, as this person is responsible for ensuring that the company's main business objectives (e.g. being a market leader in car tyres or being known for excellent customer service) are met. This role might have an internal or external focus. If internally focused, it involves planning and introducing systems and processes (ways to do things) to help meet the business objectives. If external, this would relate more to the general market that the company is in, so if in a financial services company the role would involve looking at the finance market and understanding the types of products already available, knowing which ones work and which ones don't, and looking for 'gaps' in the market where a new product could be introduced. A Policy Manager will work closely with external experts who will help to advise them on different areas such as legal obligations, providing statistical data and research to support different ideas etc. They will also have a number of analysts reporting into them and there may be different Policy Managers for different areas.

This is a senior role so requires a great deal of experience. Formal qualifications such as a degree or Masters qualification would also be beneficial.

Salaries can start at around £38,500 or more.

The **Head of Policy and Strategy** is the leader in charge of implementing the recommendations of the analysts and policy manager. This individual needs to ensure that the recommendations work for the company and their customers. Like a Policy Manager this person will work closely with external experts in different fields helping to ensure they have lots of information to support all of their decisions.

Again, this is a very senior role so will require a lot of experience. It will also be important that this person is a good communicator, can persuade others and is a confident decision maker.

Salaries can start at around £78,500 or more.

### Employability SKILLS

There are a number of skills needed to be able to work in a Research and Development department, but in general they include:

- **Problem solving**
- **Great communication (both written and verbal)**
- **Excellent managerial and people skills**
- **Strong organisational and planning skills**
- **The ability to make decisions and to persuade others to support them**
- **A thorough grasp of the needs of the business.**

A key employability skill is problem solving as data analysis is a key function of this department. Business is complex and competitive so understanding the marketplace and identifying threats and opportunities is very important.