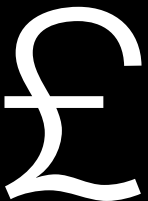
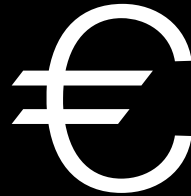


Branding for Talent:

Financial Services



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Why?

With companies in the top quartile for diversity showing a 20% increase in profitability according to McKinsey, the link between diversity and company performance can't be denied.

86% of women and 74% of men under 35 say they consider employers' reputation for diversity, equality and inclusion when deciding which company to work for (PwC). In the fight for talent, brand is a decisive factor. But it might be the decisive factor in attracting the best of the innovators, rainmakers and disruptors when it comes to head-to-head comparison. The Financial Services sector still has a reputation for being a boys' club. Regularly confessing to being labelled "pale, male and stale" at the upper echelons, our clients often ask us, in the competition against the likes of

Big Tech, how can Financial Services organisations increase the likelihood of winning the best and most diverse talent by leveraging the power of their brand?

When considering this question, we realised it was powered by assumptions, with very little data on how different Financial Services companies and categories are perceived, and even less data on what might be stopping top talent from more diverse backgrounds applying for jobs in the space.

Methodology:

We presented our bespoke survey to higher education students and graduates in seven territories across the EU (UK, Germany, Switzerland, Denmark, Sweden, Norway) and North America. In total, we heard from 1,275 people (about 250 per territory) aged 20 to 25 years. We applied quotas to ensure a representative sample across age, gender, ethnicity, sexual orientation and social class.

All of our respondents were either in higher education or qualified with an undergraduate degree or above. Finally, we explored respondents' knowledge and perceptions of 13 industries, plus the drivers and barriers in applying for positions in Financial Services, as well as a deep dive into 80 specific Financial Services brands.

Standing out

First we ask - is talent aware you exist?
When prompted, UK respondents recognised Barclays, HSBC, Lloyds, and Aviva. But they showed little awareness of Investment Management, Accounting or Financial Advisory firms.

Young people are only aware of a handful of brands outside of Retail Banking

Q: Which of the following companies have you ever heard of before today

	UK	USA	Germany	Switzerland	Denmark	Sweden	Norway
1.	Barclays	Wells Fargo	Deutsche Bank	Credit Suisse	Danske Bank A/S	Nordea Bank	DNB Bank
2.	HSBC	Bank of America	Commerzbank	Migros Bank AG	Nordea Bank AB	Svenska Handelsbanken	Nordea Bank AB
3.	Lloyds	JP Morgan C	Allianz	Zurich Insurance	Nykredit Bank A/S	SEB Bank	Bank Norwegian AS
4.	Aviva	Citigroup	DAX - Deutsche Bo	Swiss Raiffeisen	Alka	Swedbank Asset Mgmt	Gjensidige Insurance
5.	Goldman Sachs	MetLife	Landesbank Baden Württemberg	UBS Asset Mgmt	Nordea Investment Mgmt	SEB	Storebrand
6.	London Stock Exchange	Morgan Stanley	Norddeutsche Landesbank	Julius Baer	Deloitte	Nordnet Bank	DNB Asset Management
7.	Legal & General	Nasdaq	Landesbank Hessen-Thüringen	Swiss Re	Copenhagen Stock Exch.	PwC	KPMG
8.	Deloitte	Bloomberg	Ernst & Young (EY)	Swiss Life Holding	Bank Norwegian AS	Deloitte	Deloitte
9.	KPMG	Vanguard	DWS - Deutsche Asset Mgmt	Ernst & Young (EY)	Ernst & Young (EY)	KPMG	Storebrand Asset Mgmt
10.	Revolut	NYSE	KPMG	KPMG	BankInvest	AMF Pension Insurance	Ernst & Young (EY)
11.	Ernst & Young (EY)	Bershire Hathaway	PwC	SIX Swiss Exchange	PwC	Nasdaq Stockholm	Oslo Stock exchange
12.	Legal & General Invstmt Mgmt	AIG	Munich Re	Vontobel	PKA	AFA Insurance	PwC
13.	Prudential plc	PwC	Dornbach	PwC	KPMG	Ernst & Young (EY)	Skagen Funds
14.	PwC	BNY Mellon Invstmt Mgmt	Rödl & Partner	The Pictet Group		Alecta	Vital
15.	Grant Thornton	KPMG	Mazars	EFG International			Euronext
16.	Aberdeen Standard Invstmts	Baker Tilly					
17.	Tenet	PIMCO					
18.		BlackRock					

Under 45% aware 45% aware

Bad news

We looked at how young talent perceives the reputation, the work, and the people working within Financial Services.

The halcyon days of pre-financial crisis banking have left a hangover. It seems young talent has internalised outdated stereotypes of bankers and the rest of the industry has been tarnished by association.

According to our survey, the industry is for “traditional”, “conservative”, and “greedy” people. Employees are “lazy” and “less intelligent”. The work is “not rewarding”, and the companies are “only interested in making money”.

If you ask 20 to 25 year olds to describe the industries and companies within Financial Services you get all the answers we might expect...

- + Boring work
- + Less enriching work
- + Easy work
- + Unrewarding work
- + Less intelligent people
- + Traditional people
- + Greedy people
- + Boring people
- + Selfish people
- + Lazy people
- + Only interested in making money
- + A necessary evil
- + Not cutting edge
- + Don't give back to local communities
- + Not forward thinking

The vicious circle

We asked respondents if they have a clear understanding of what a role within different FS categories would involve.

There is a sub-segment of young people more predisposed to know and prefer Financial Services roles. If we look more closely at the factors that contribute to a clear understanding of working in the Financial Services sector we see:

- + A very small uplift for those who went to an elite university
- + A bigger uplift for working graduates as they get exposed to insurance schemes, pensions, and tax codes
- + Clarity is significantly higher for males from privileged backgrounds compared to working-class females
- + There is also a large self-selection bias for those who have an immediate family member working within Financial Services

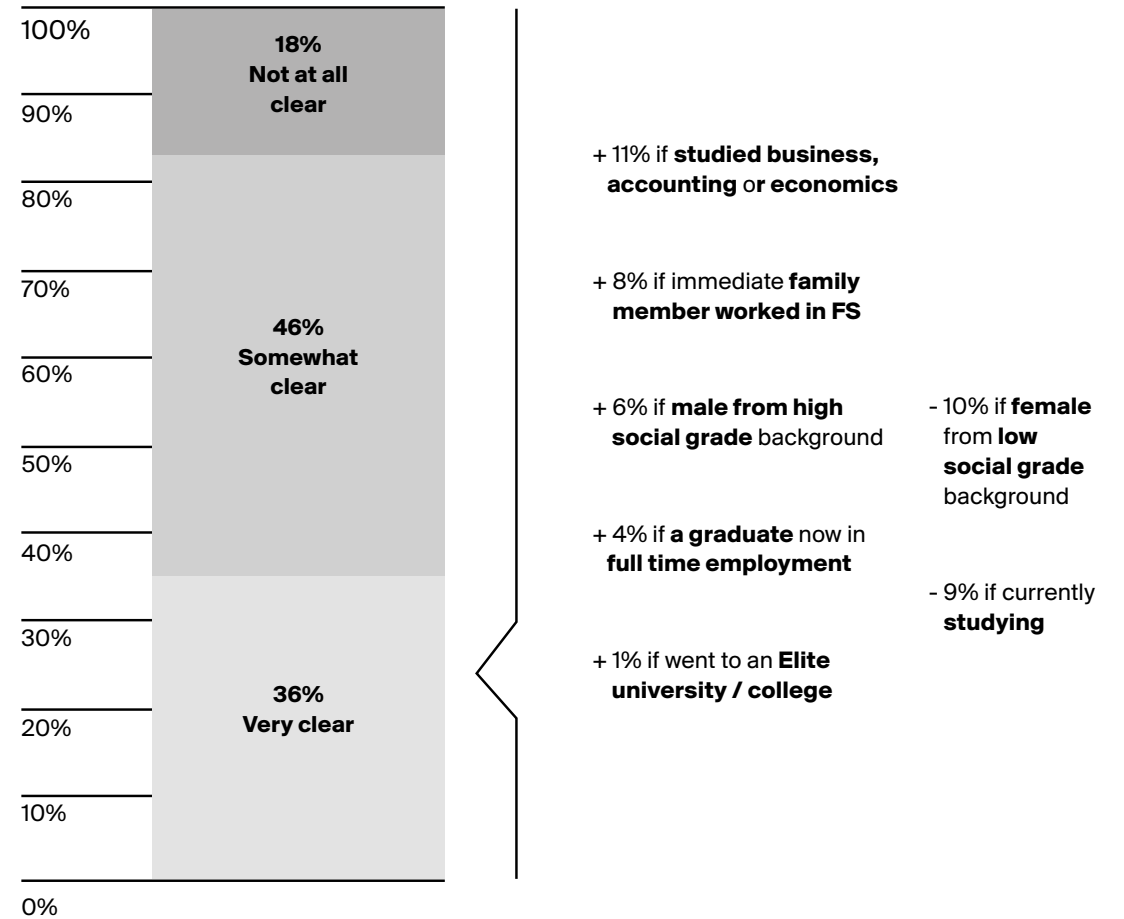
- + And of course, another clear difference if you studied Business, Accounting or Economics at University

This reinforces some of the diversity challenges facing the industry. Of this self-selecting group, 76% came from more privileged backgrounds, 53% from a family that know these industries and 50% studied degrees with direct relevance. These people represent the path of least resistance, where little effort is needed to attract them to work for you. It is worth noting that 33% of respondents qualified with degrees less than a 2.1 and this group reported on average being more motivated by money, and expected more money than job satisfaction from a Finance role in comparison to others.

Only a third of 20 to 25 year olds have a very clear understanding of what a role working in Financial Services might actually involve

Clarity on what a role working in Financial Services* would involve

Q: Do you have a clear understanding of what a role working in the following industries would involve?



*Average of Banking, Insurance, Tax + Accounting, Financial Advisory, Investment Management, Market Trading

Targeting diversity

Rather than relying on talent self-selecting based on pre-disposition, we want to attract the people that will drive our business forward, and that will stay and grow with the company.

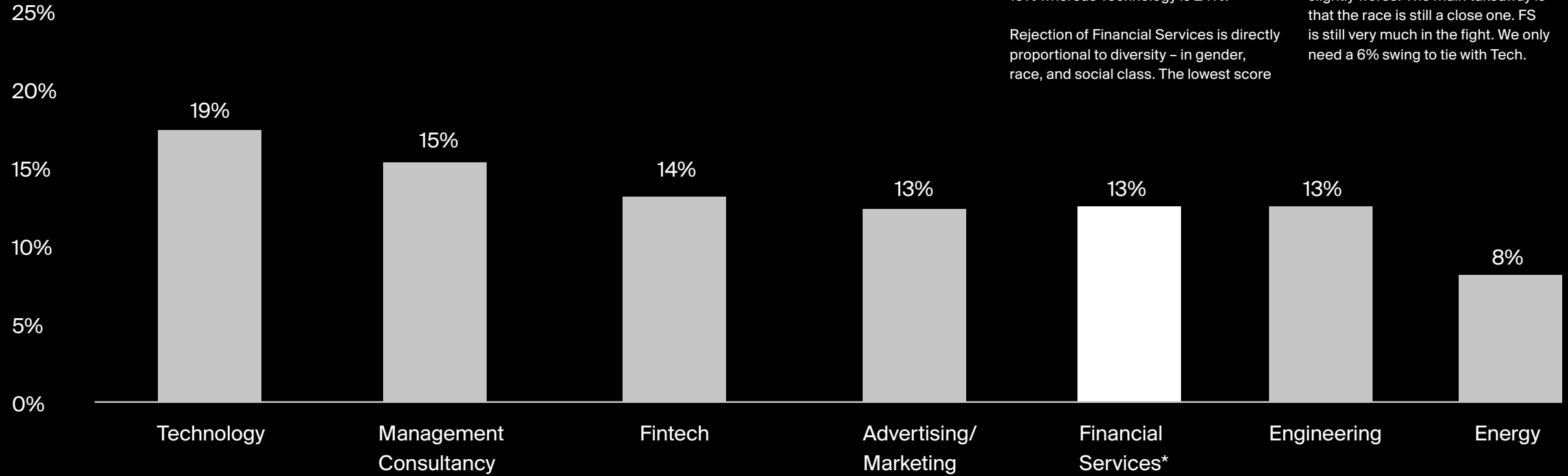
We defined a new segment based on qualification (2.1 or above, or equivalent) and motivation (driven by job fulfilment, long-term stability and opportunities to progress).

These people are:

- + More diverse and unbiased by their family even when they work in FS
- + They are thoughtful and more independent
- + A segment that skews to Red Bricks, not Oxbridge
- + Skews to post-grads
- + Skews to female
- + This is roughly 20% of young talent – and not necessarily discrete from the self-selecting group. Roughly a quarter are very clear and prefer Financial Services

% very likely to apply - 'Top Talent'

Q: On a scale of 1 to 5, where 1 is "not at all likely" and 5 is "very likely", how likely would you be to consider applying for a role to work in each of the following specific industries?



*Average of Banking, Insurance, Tax + Accounting, Financial Advisory, Investment Management, Market Trading.

They love you?

How likely is this "top talent" segment to apply for a role in the sector compared to other industries?

The 'top talent' segment is on average more likely to be attracted by Tech and Professional Services before FS. Even in Switzerland, a country known for its Financial sector, this number is just 15% whereas Technology is 24%.

Rejection of Financial Services is directly proportional to diversity – in gender, race, and social class. The lowest score

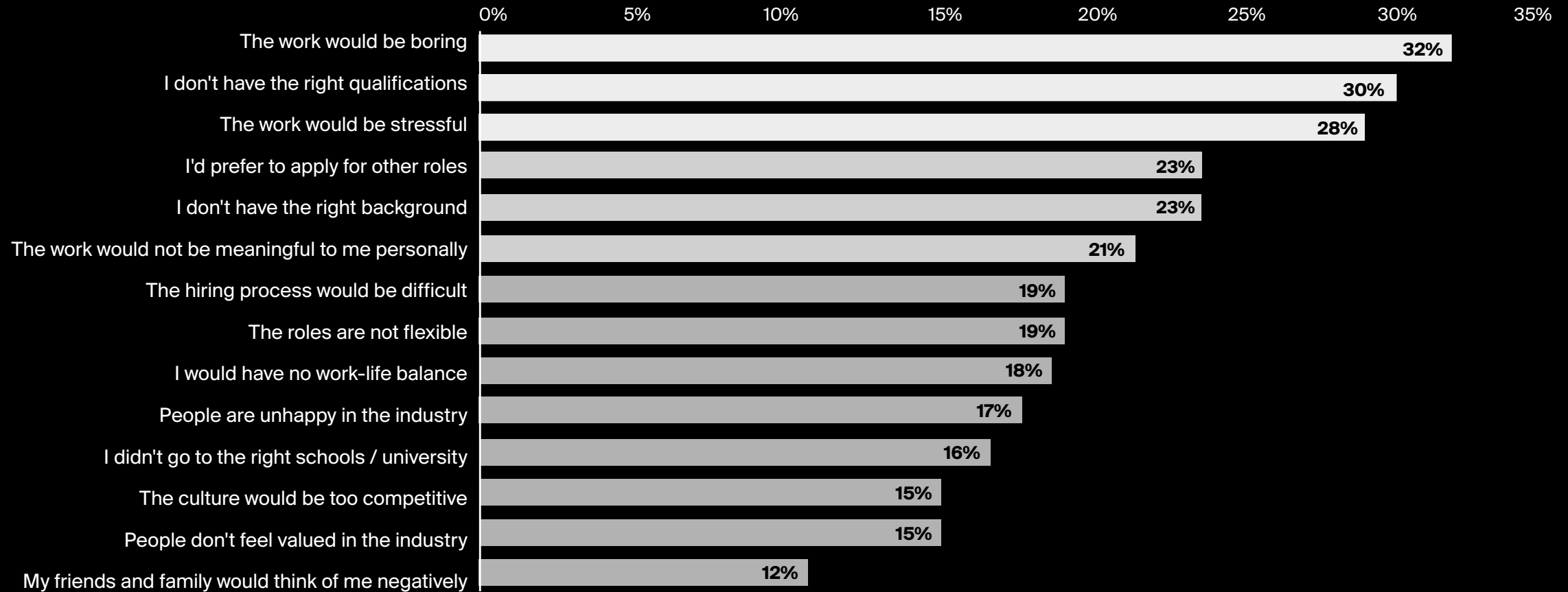
is white privileged males. The highest is working-class women of colour.

As before, Retail Banking performs slightly better and Market Trading slightly worse. The main takeaway is that the race is still a close one. FS is still very much in the fight. We only need a 6% swing to tie with Tech.

'Top Talent' segment defined as being highly qualified and driven by fulfilment, stability and / or growth

They love you not?

The biggest barriers for 'top talent' applying for a career in Financial Services are fear the role is "boring" (skewing to students) or "stressful" (skewing to grads), not thinking they would have the right background, and not being sure the role and its work is meaningful or relevant to them.



Becoming a force of attraction

How do we overcome these barriers and get more talent to apply for roles in Financial Services? What can you prioritise to offer the greatest return?

We used specialist modelling to reveal how young people decided whether or not to apply for roles. Specifically we have isolated the tipping points where we can win or lose different talent groups. We want to nudge people away from indecision toward advocacy so they are more likely to apply.

Students

The first priority is clearly communicating what the role would involve. We found that 33% of the time, students will reject Financial Services very early if they feel they have no clarity. But when students are at least “somewhat clear” they remain receptive to a role in the industry.

If students feel that the skills they are currently learning are not completely applicable and they will need to retrain or undergo an extended qualification process, 12% of applicants fall out of the journey.

For students, the first two decision making points are critical and this is where Financial Services organisations lose almost half of their potential talent pool.

The next priority is the perception of the role and experience itself. If a Student thinks the role is boring then they remain undecided. However, if their view is that the role is, at worst, “not boring”, at best, “exciting”, then they are very likely to apply. This is critical, where the biggest group of students make a positive choice.

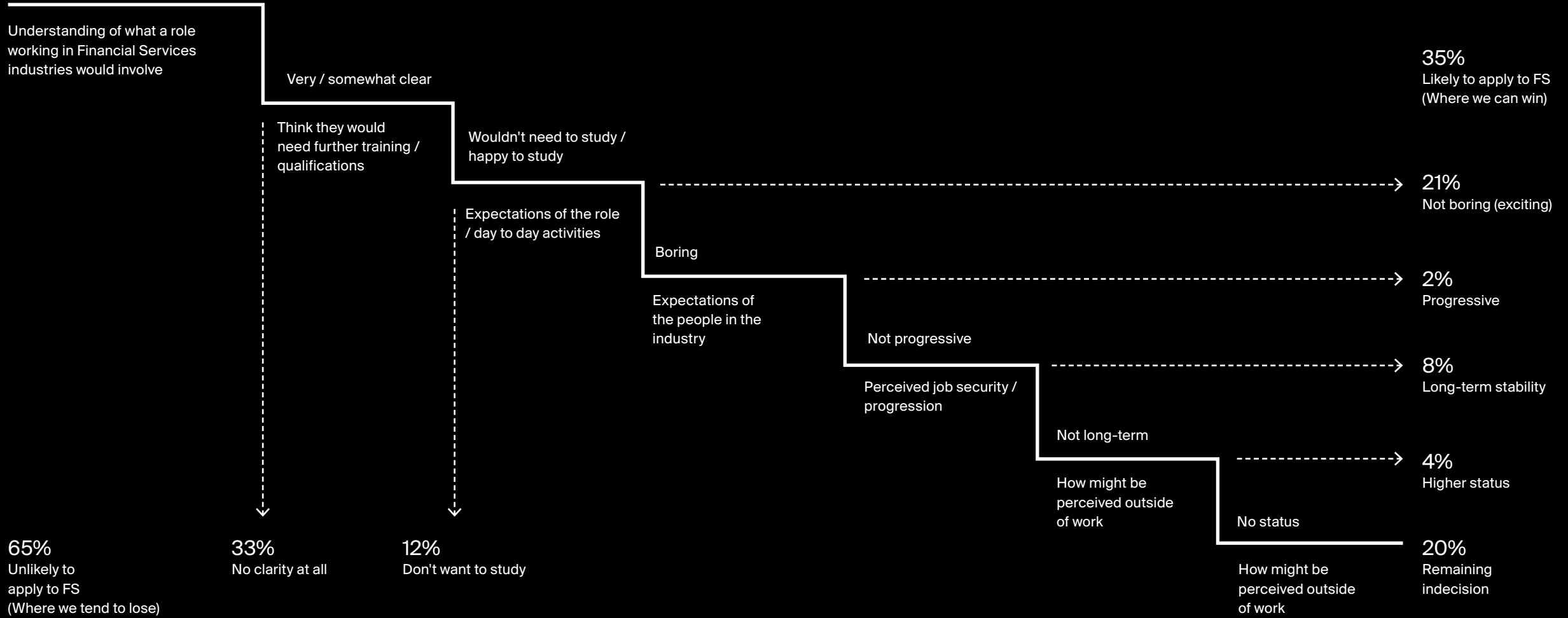
If students think other people in the industry are progressive - this can drive likelihood even though the role is boring. But currently only a small group of people decide here.

If students perceive the industry as stable, and a career being long-term, again they can be attracted. Even if the role is considered boring with a lack of progressive people.

Finally, if the role is viewed as boring, its people unprogressive, and the career less stable, the position's perceived social standing may still attract respondents. In reality 20% of students are still undecided by this point, so are left on the fence.

The lesson here for current students is that companies must clearly articulate the role and show the value of the experience or risk losing that talent early.

Decision Tipping Points: Current Students



Graduates

The tipping points for graduates are not dissimilar to Students – clarity and experience are very important.

Further down the line perception of people within the industry, and status bestowed by a title can have a positive impact.

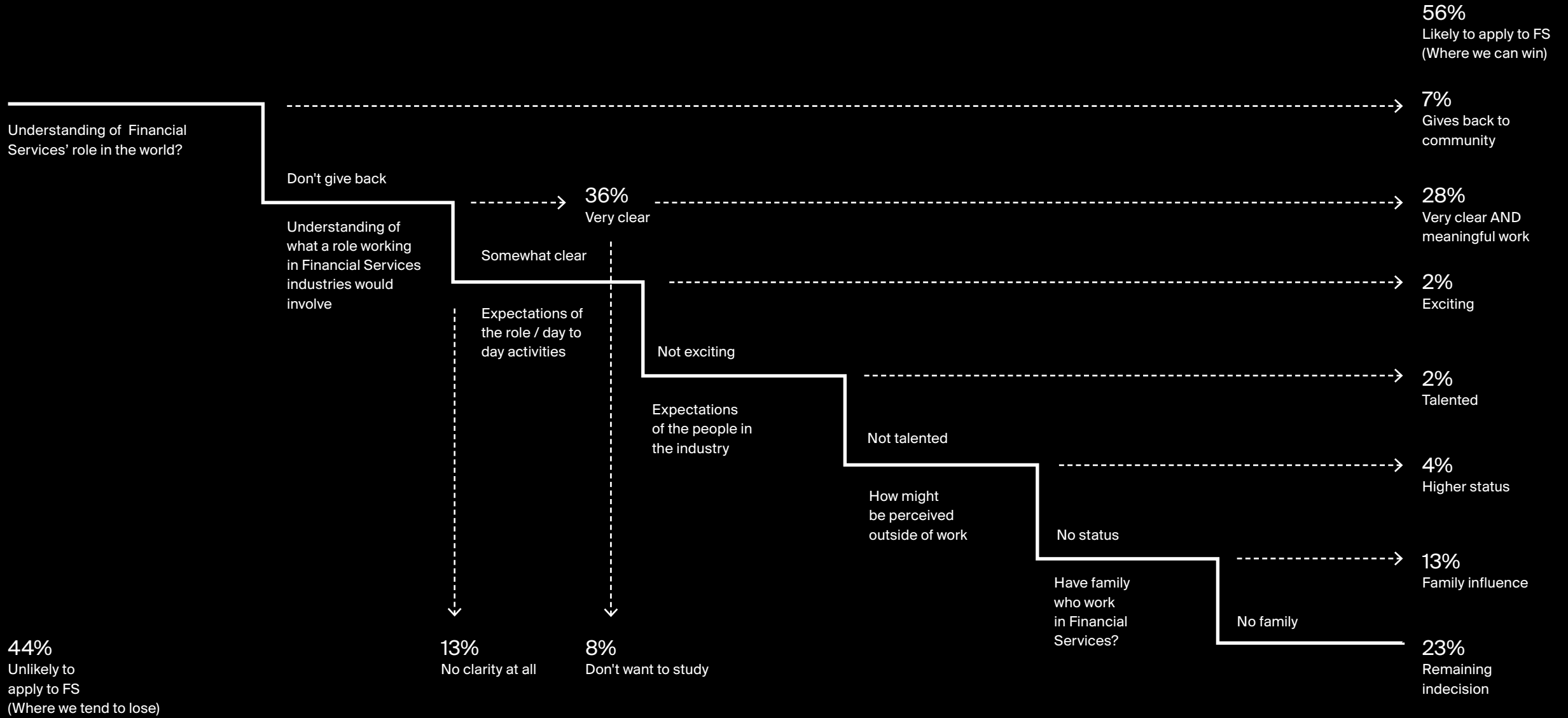
But, being clear is not enough. Graduates want to know that their work will have meaning. If we consider that two thirds of this group are already working full time, possibly in less rewarding roles, they may only consider moving to Finance if it is more attractive. If you can't offer them something meaningful then they will drop out of consideration.

Taking this further, we see a tipping point that comes before understanding of the industry. 7% of decisions can be won early if you show that the industry and your company make a positive contribution to society and the world at large. Communicating purpose and a sense of meaning is a quick win.

Finally, if all else fails – for this audience having a family member in the industry can heavily influence the decision.

Graduates are nearly twice as likely to consider Financial Services than students. They may be considered a more valuable target. But, they are hard to move without showing the work has meaning – communicate a purpose and show how their work directly ladders up to this purpose.

Decision Tipping Points: Graduates



The top talent

How does all this compare amongst our top talent segment (i.e. those highly qualified and motivated by fulfilment, stability and growth – not just salary)? This group includes a mix of students and graduates, so is less nuanced than the other models. But we discovered some clear differences.

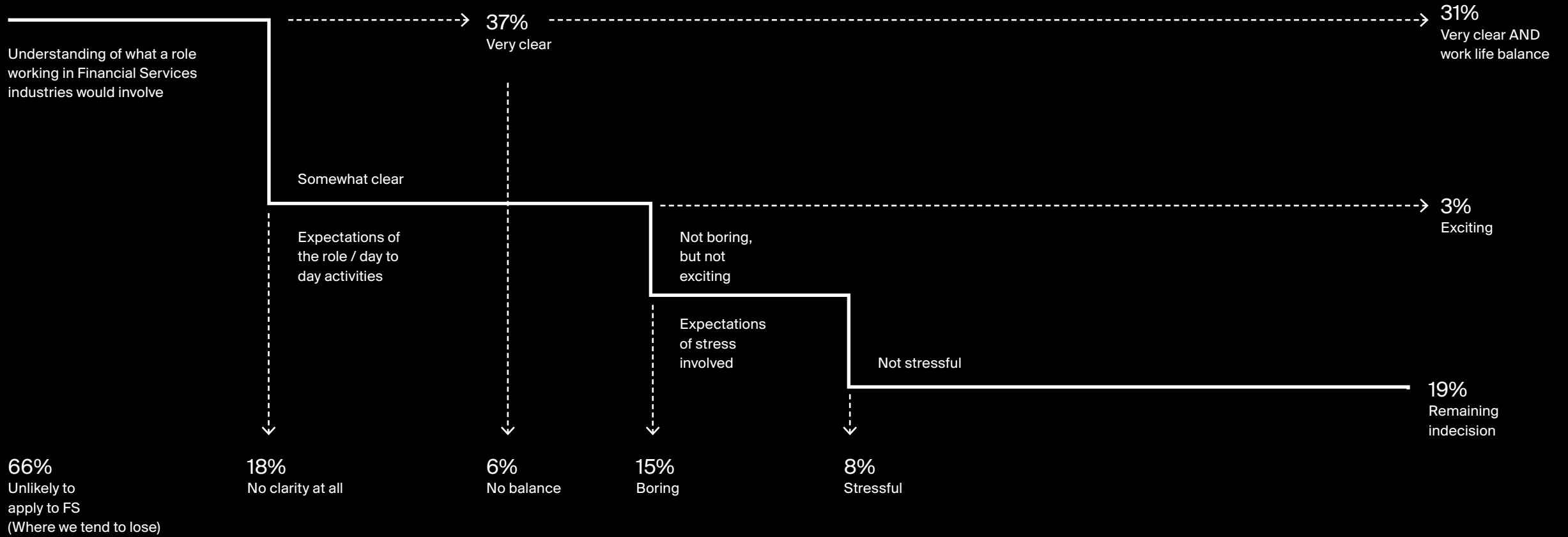
Starting with the common tipping points, with clarity they are likely to apply, but if students perceive the role to be boring they will drop out of contention quickly. Similarly if they think it will be exciting they will be likely to apply.

However, the perception of the employee experience is even more important for this segment. If they are really clear about a role in Financial Services you can still lose if they sense a lack of balance. Similarly, if they perceive a role to be stressful they drop out of contention.

Ultimately, balance is a key factor. To reach the top talent you must demonstrate their intellectual capabilities and creativity will not be worn away, and they can still nurture their skills and invest in their development. We're not talking about a desire to leave at 5.30, but a desire to invest in their fulfilment and protect their value in the long term.

Balance is needed for stability, satisfaction and growth, and this balance needs to be communicated in your offering to attract the top talent from both the graduate and student pools.

Decision Tipping Points: Defined 'Top Talent' Segment (mix of Students + Grads)



The key takeaways

- + Current students: The lesson here is that companies must clearly articulate the role and show the value of the experience or lose early.
- + Graduates: Clarity and experience are very important, but 'meaning' is key.
- + Top talent: So, clarity remains important, but the key insight is balance.

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