

The Network Forum

Do my kids want to work in a bank?

Sydney, Australia

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Building a better
working world

The Gen Z is in the spotlight. What makes them special?

Digital natives

- Access to digital devices since birth or childhood
- Accustomed to instant gratification — online services, real-time information and radical transparency
- Social interactions digitally enabled

Pandemic impacts

- Rites of passage forfeited (graduations and milestone events) and social isolation
- Prioritization of health and wellbeing (physical and mental)
- Expectations of flexible and remote work

Climate emergency

- Climate historically seen as a 'next generation' problem to solve
- Routine exposure to catastrophic climate events — floods, fires and hurricanes

Geopolitics

- First time voters in a polarized political climate
- Political affiliations not just ideology, but identity
- Exposure to global events magnified through social media

Social equality

- Amplified focus on social justice, compounded by social media (*#MeToo* and *#BlackLivesMatter*)
- Social matters publicized: gun violence, marital and reproductive rights and religion
- A collective mindset: “we, not me”

Labor market

- Exposure to the job market in a period of mass mobility (e.g., war for talent, the Great Resignation and quiet quitting)
- Digital platforms enable access at scale to open requisitions, mass applications and professional networks

Nostalgia

- Limited work experiences or memories of 'the good old days' (pre-pandemic on-site work)
- Limited experiences with 'work friends,' in-person events and celebrations, and business travel

Startup culture

- Aspirations to change the world and create the 'next big thing'
- Entrepreneurial culture revered, glorified in pop culture
- Resistance to the system and desire for self-employment and autonomy

Adolescent experiences will shape the way this population interacts with the world of work. Are banks ready to interact?

Source: Is Gen Z the spark we need to see the light? 2021 Gen Z Segmentation Study.

But are careers in banking appealing to the Gen Z?

Maybe, but there are no guarantees.

There is an exciting future in banks that pay attention, and that rewire culture and operating models to make **banking jobs better** and **modernize ways of working**.

To get there, **systemic changes must be made**. The **cost of inaction** carries risk — including operational, resiliency and financial risk.

Leading hypotheses

1

Radical progress: diversity, equity and inclusion

Diverse representation in leadership ranks and revenue-generating functions (e.g., wealth, private banking and capital markets). Involves sourcing talent from nontraditional pools, including from other industries

4

Technology and data talent magnet

A magnet for the best technology and data talent — seen as 'the' place to earn competitive compensation, work on groundbreaking projects, and be exposed to rich and varied career experiences

2

Eliminate antiquated jobs or notions of career

Elimination of mundane roles through redesign, automation or operating model changes, such as outsourcing to the gig economy. A new definition of career — episodic, rotational and diverse with a clear and compelling narrative

5

Real purpose and social impact

The most compelling narrative in the market around social impact — including climate change, financial inclusion, social injustice and the role of banks in creating a prosperous community

3

Learning that's everywhere

An environment committed to learning — includes mixed modalities, on-demand and digitally enabled options and dynamic curricula that keeps pace with market demands. Where learning and on-the-job responsibilities are reasonably balanced

6

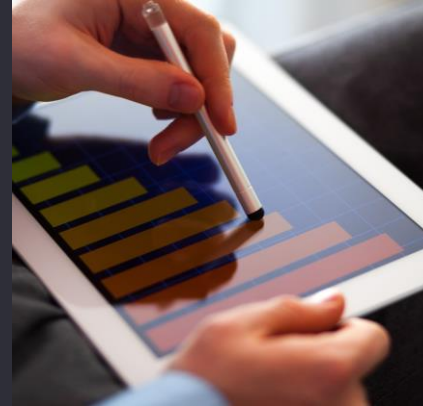
Dynamic culture: flex, wellness and radical transparency

A dynamic environment where employees feel 'in control' of their careers — transparency around compensation, performance management, career path and promotion. A high energy environment, where flexibility and wellness is the norm and managers share Gen Z values

Why are we talking about this now?

Why are banks so focused on workforce transformation right now?

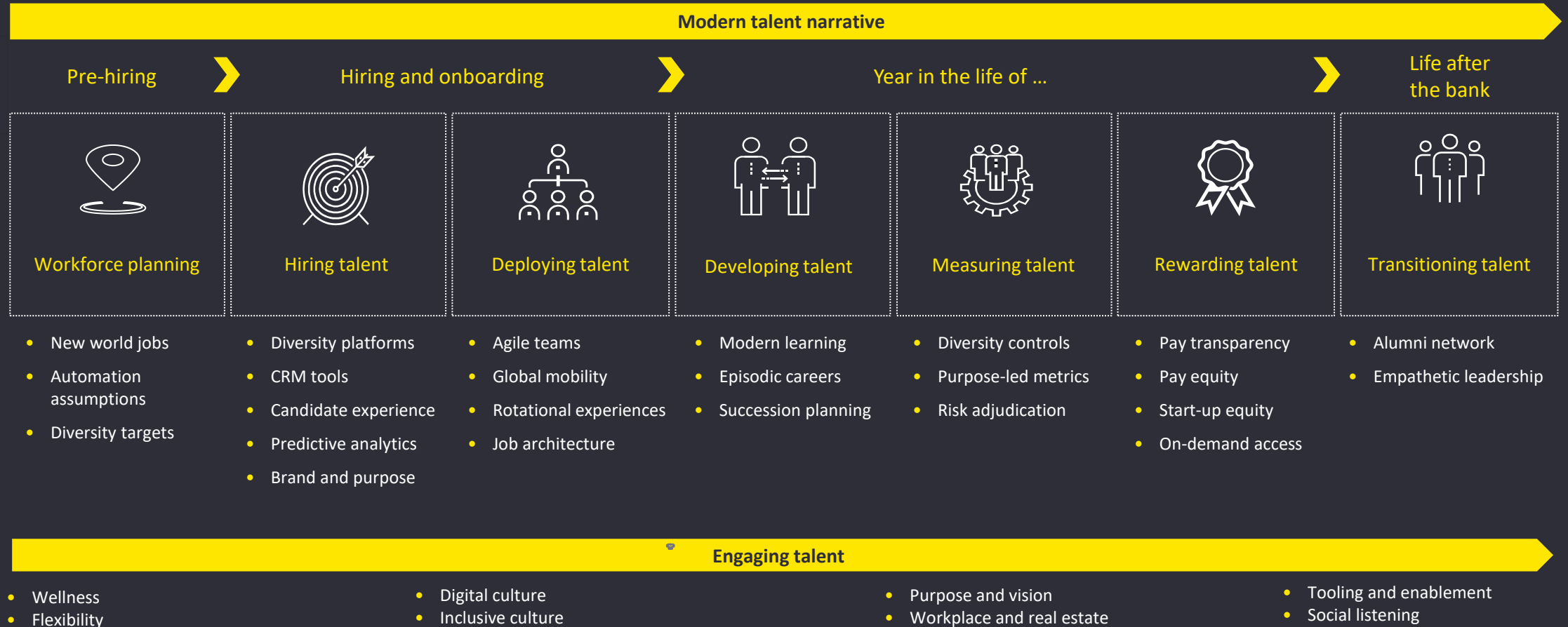
- Publicized talent crisis
- Technological disruption
- Global skills shortage
- Generational and demographic shifts
- Non-traditional competitors
- Transformation goals
- Financial uncertainty, including cost pressures



The financial upside

- Lowers attrition and replacement costs
- Streamlines upskilling investments
- Reduces disengagement costs

Features of a modern talent experience



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