Workforce 2020

Banking fact sheet: How high-performing companies set themselves apart

Data from our Workforce 2020 research program show a correlation between above-average profit margin and revenue growth and workforce development. Companies with above-average profit margin and revenue growth (high performers) are better prepared for the future workforce than those with below-average growth. Executives who report that their companies have below-average profit margin growth over the past two years (we call them underperformers) indicate that they are struggling to keep up with changing workforce trends. This is especially true when it comes to recruiting employees with both base-level and advanced skills. Perhaps most telling, underperforming companies are significantly less likely to say that HR issues are driving strategy at the board level—which could be a major oversight.

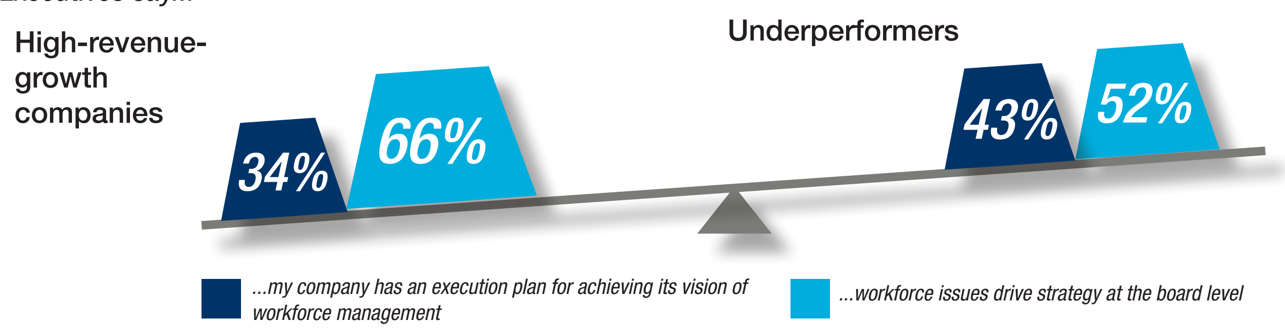
This fact sheet outlines the major differences between high performers and underperformers in the banking industry. Both face unique challenges and opportunities when preparing for the workforce of the future.

The New Face of Work

Research shows priorities shifting as economies rebound globally, but companies lag in understanding these changing dynamics.

- Two-thirds of executives at high-revenue-growth companies say workforce issues are already driving strategy at the board level. That number is much lower for underperformers—52%—falling to just 25% in three years.
- Companies with below-average profit-margin growth are struggling to keep up with changing workforce trends: they are significantly more likely to say increasing numbers of seasonal workers and Millennials are impacting their workforce strategies. They also struggle with more advanced skills (see **The Learning Mandate**).
- More than half of high-revenue-growth companies have made progress toward meeting their future business objectives, compared with 38% of underperformers, suggesting that high performers are more proactive when it comes to longer-term workforce goals.

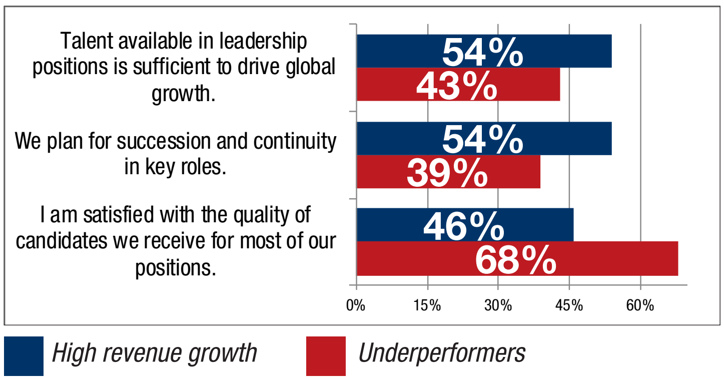
Executives say...



The Leadership Cliff

Executives and employees agree that leadership is lacking—and companies are not focused enough on developing future leaders.

Executives say...



- Executives at high-performing companies are significantly more likely to say that a lack of leadership is an impediment to achieving their future growth objectives, though they show confidence in their leadership (see left).
- Nearly half of high-revenue-growth companies say that top leadership at their company considers workforce development a driver of competitive advantage (vs. 39% of underperformers).

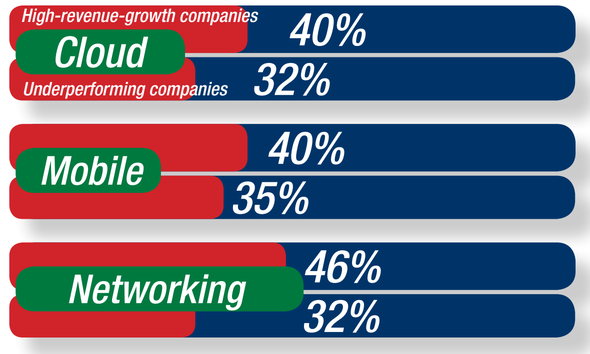
Workforce 2020—High performers

Bridging the Skills Gap—The Learning Mandate

Better training and education opportunities would benefit employees and businesses alike.

- Underperforming companies are significantly more likely than high performers to be satisfied with the quality of candidates they receive.
- Banking companies may not be making training a priority—less than one-fifth of both high performers and underperformers alike say they offer supplemental training programs as an employee benefit.
- High-profit-margin-growth companies are significantly more likely to say they are capable of sharing and retaining institutional knowledge (73% vs. 47%).

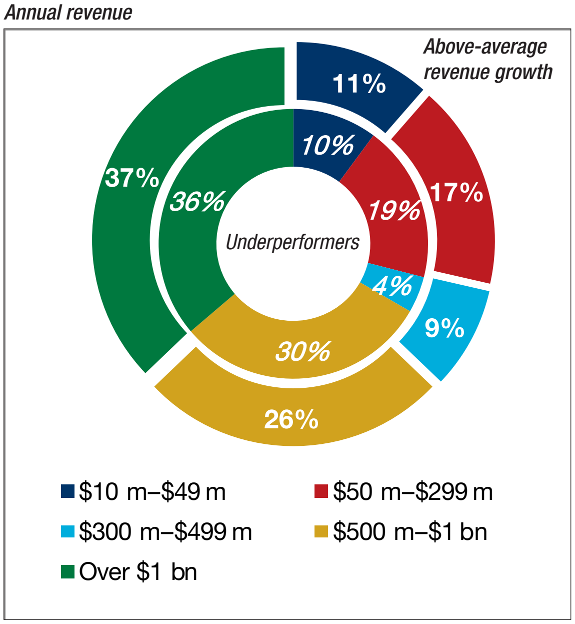
Executives say these technology skills are well represented at their organization.



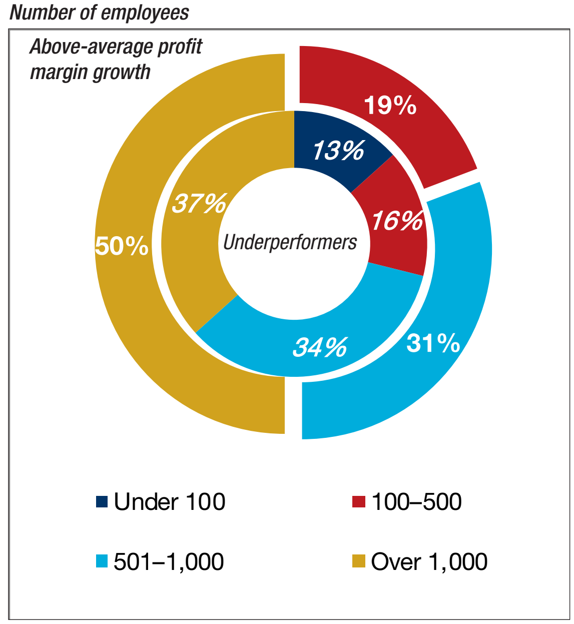
Survey demographics: High performers

- High-revenue-growth executive titles: CEOs (6%); COOs (9%); CFOs (11%); CIOs (9%); CMOs (0%); Chief Human Resources Officers (20%); VPs/Directors of HR (14%); VPs of Learning/Development (9%); VPs Compensation & Benefits (20%); VPs Recruiting or Talent (3%)

Annual revenue



Number of employees



About the research

Workforce 2020 is a large-scale global study to discover best practices and actual progress toward the creation of talent strategies for the future in the global economy. We surveyed more than 2,700 executives and 2,700 employees, and interviewed 28 executives across the following countries: Australia, Brazil, Canada, Chile, China, Colombia, the Czech Republic, Denmark, France, Germany, India, Japan, Kenya, Malaysia, Mexico, the Netherlands, Poland, Russia, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Turkey, UAE, UK, US. Survey respondents came from a variety of industries, company sizes, and age groups (49% of employee respondents are Millennials).

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