

The Deloitte Talent in Banking Survey 2013 UK in focus

The City of London's international flavour sustains banking's popularity

UK attitudes to working in banking have been strikingly resilient given the 'banker bashing' the industry has endured since the financial crisis, and that students themselves acknowledge.

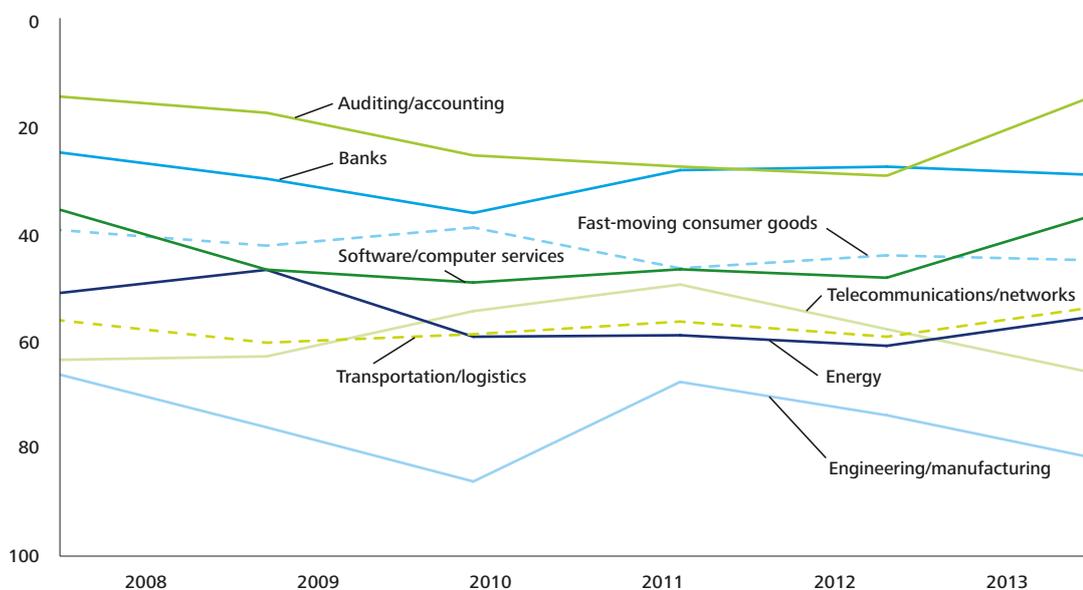
Banks dropped four places in the industry popularity rankings among UK-based business students – one place less than the global decline (Figure 1). The students rank working in banking higher than some of their international counterparts, with banking enjoying its sixth-highest popularity ranking out of the 15 countries covered in the Universum survey. Out of a standardised group of 100 employers in the survey, the average bank ranked 30th among UK-based students.

This enduring popularity is surprising given the economic context. The United Kingdom was one of the major economies worst hit by the global financial crisis. Its recovery has been weaker than in every other G20 economy bar Italy.¹ UK GDP is still lower than in 2008.²

British banks have been at the centre of fierce public debate about the role they play and the value they bring to the wider economy and society. Bank bail-outs and other government support have led to intense scrutiny of the sector. Fixing of the 'Libor' wholesale lending rate and the mis-selling of Payment Protection Insurance (PPI) to millions of retail customers have raised questions about the working culture in banking.^{3 4}

Figure 1. UK business student ranking of attractiveness of employment across selected industries, 2008–2013

Average company rankings, by industry



Source: Universum data; Deloitte analysis

Note: Industry rankings were calculated by averaging the student rankings scored by each company in the industry.

1 IMF's World Economic Outlook Database, accessed on 11 September 2013.

2 UK GDP was £1.46 trillion in 2008 and £1.44 trillion in 2012. Source: IMF's World Economic Outlook Database, accessed on 11 September 2013.

3 The London Interbank Offered Rate, an important benchmark short-term interest rate.

4 The Deloitte Bank Survey 2013: Culture in banking, under the microscope surveyed senior bankers around the world about their perceptions about the extent and causes of cultural problems in the industry. Almost two-thirds of senior bankers interviewed acknowledged that "significant" cultural problems remained in the industry.

Bankers without borders: UK career goals

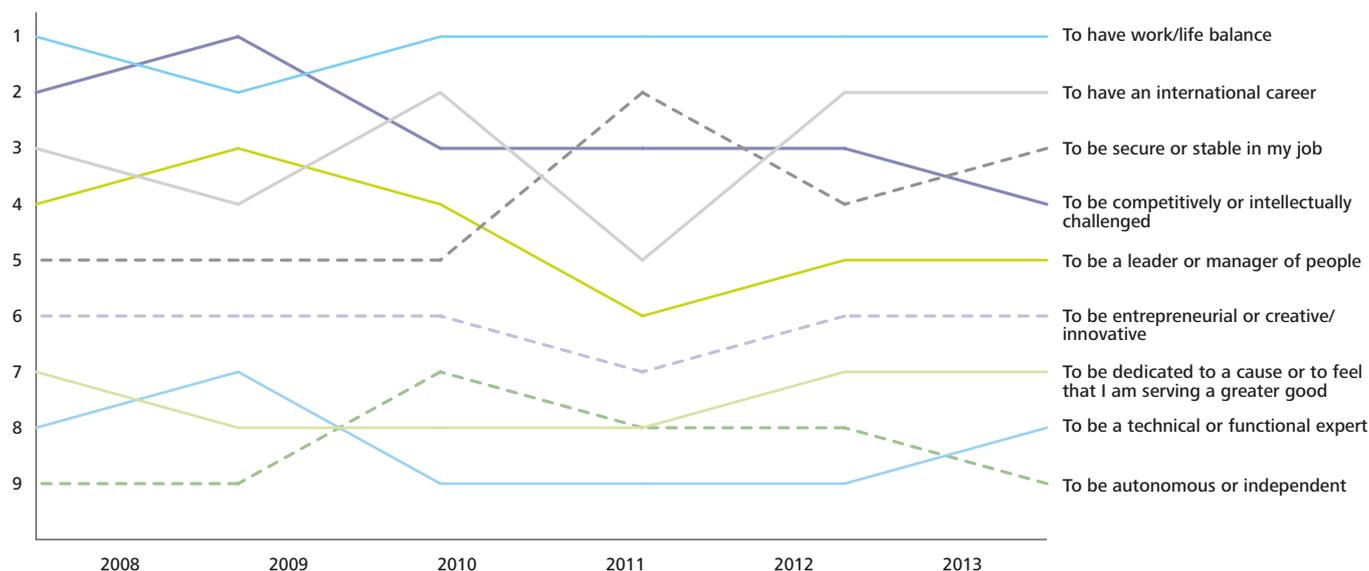
Banking's enduring popularity among UK-based banking-oriented students seems to stem in large part from Britain's long trading history and London's associated position as a global international financial centre. Banking-oriented UK students place more value on having an international career, ranking it second out of nine career goals, against a global average of fifth. This may reflect the multicultural nature of British society and the cosmopolitan atmosphere of the City of London.

A wanderlust also came out in the job aspirations of banking-oriented students in the UK. They ranked "opportunities for international travel" third out of a total of 40 job attributes.

By contrast, this attribute was ranked tenth most attractive overall by global respondents. The City's long history as a trading centre plays well to this aspiration.

Job security has become more important to banking-oriented students in the UK, rising from fifth to third place. By contrast, "becoming a manager," or "being intellectually challenged" have become less valued since 2008, perhaps reflecting a pragmatic response to the harsher economic climate. For the wider global group, finding a career that "serves a greater good" climbed two places in the rankings. Banking-oriented students in the UK rank it a lowly seventh, as they did in 2008.

Figure 2. UK banking-oriented students' ranking of career goals, 2008-2013



Source: Universum data; Deloitte analysis

Note: Survey question – "From this list of nine possible career goals, which are most important to you? Please select a maximum of three alternatives."

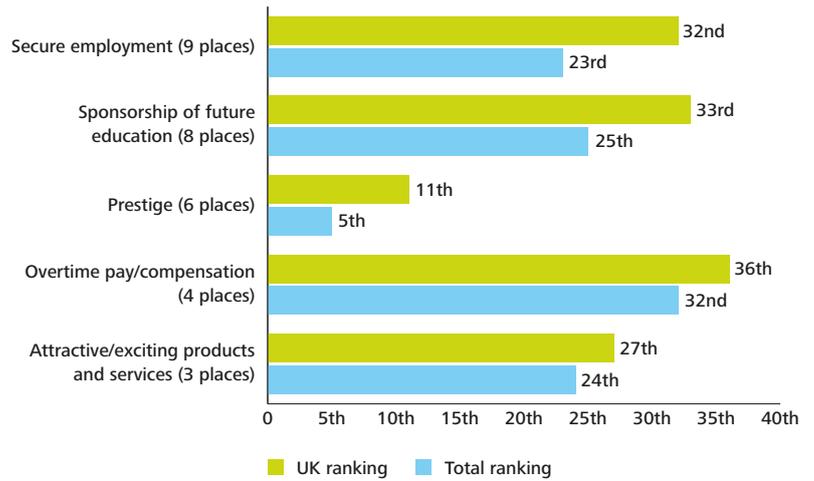
Less prestigious, less secure

The fact that banking-oriented students in the UK are making pragmatic, rather than rose-tinted, choices about the sector is reflected in their associations concerning banks. Despite rating job security as their second most important career goal, they are strikingly less likely than their international counterparts to consider banking secure – it is ranked a full nine places lower (Figure 3). Equally, the firestorm of criticism around banks in the UK press appears to have helped to dent its relative prestige in banking-oriented students’ eyes – banks are ranked six places lower on prestige in the UK than elsewhere.

Turning to the job attributes more associated with banking among UK potential applicants than others, the biggest divergence is on diversity (Figure 4). In the UK, banking-oriented students rank banks seven places higher on “acceptance towards minorities” than their international counterparts, and five places higher on gender equality. Unfortunately for banks, neither of these attributes managed to break into the top half of the 40 most attractive job attributes for banking-oriented students in the UK.

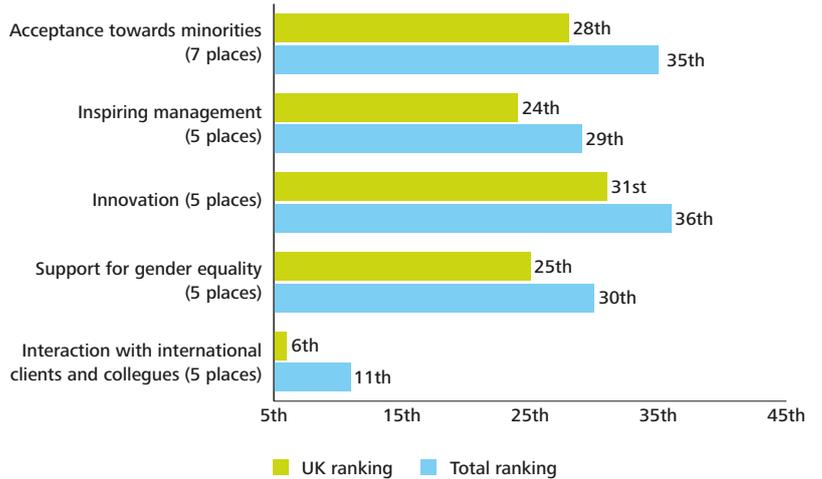
Higher up the rankings, UK respondents are more likely than their international counterparts to expect to get the chance to work with international clients and colleagues at a bank. This five-place gap is reassuring for banks because “to have an international career” is the number two career goal for banking-oriented students in the UK.

Figure 3. What UK banking-oriented students associate with banks less than the wider sample, 2013



Source: Universum data; Deloitte analysis
 Note: The number in brackets represents the difference in ranking places between UK and all banking-oriented students on their associations with banking for each attribute.

Figure 4. What UK banking-oriented students associate with banks more than the wider sample, 2013



Source: Universum data; Deloitte analysis
 Note: The number in brackets represents the difference in ranking places between UK and all banking-oriented students on their associations with banking for each attribute.

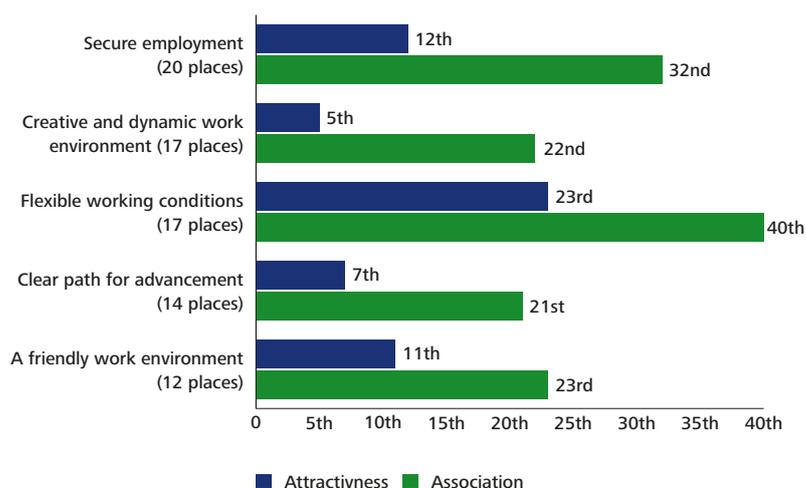
Missing in action: security, flexibility and creativity

“Security” is the highest-rated attribute for aspirations which do not match associations. There is a 20-place difference between the security banking-oriented students aspire to and security they expect. This matters because it is now their second-most important career goal.

The relative association of banking with “flexibility” trails 17 places behind its attractiveness ranking. This also matters, particularly over the longer term, since banking-oriented students in the UK, as elsewhere, rate “work-life balance” as their top career goal.

Banking-oriented students in the UK are also sceptical about the path for career advancement in banking. It is their seventh most important aspiration, but only their 21st association with banking.

Figure 5. Where attractiveness rankings most exceed association rankings for banks, UK banking-oriented students, 2013



Source: Universum data; Deloitte analysis

Note: The number in brackets represents the difference in ranking places between attractiveness and association for each attribute.

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