

## The Deloitte Talent in Banking Survey 2014 Spain in Focus

The end of recession in Spain and improved performance from the big names in Spanish banking have failed to revive enthusiasm for banking careers among Spanish business students<sup>1</sup>.

### About the Research

This report is based on the Universum Talent Survey 2014. Universum has been researching students' career intentions since 1988. In 2013-14, it surveyed about 700,000 students and professionals drawn from around 2,000 universities and institutions of higher education in 36 markets.

Deloitte examined the survey results from 174,000 business students in the 31 markets most relevant to banking: in the Americas, Brazil, Canada, Mexico and the US; in APAC, Australia, China, Hong Kong, India, Indonesia, Japan and Singapore; and in EMEA, Austria, Belgium, the Czech Republic, Denmark, France, Germany, Ireland, Italy, Middle East (defined by Universum as Egypt, Lebanon, Kuwait, Qatar and Saudi Arabia), the Netherlands, Norway, Poland, Russia, South Africa, Spain, Sweden, Switzerland, Turkey, the UAE and the UK. The number of markets included in global and regional averages varies between 24 and 31.

A continued focus on cost reduction, including large-scale redundancies, centralisation of operations and outsourcing of back office functions, has dented the reputation of banks as good places to work.

The image of retail banking in particular has continued to suffer from the problem of home evictions, as hundreds of thousands of families have struggled to meet mortgage payments. With around 200,000 evictions pending at the end of 2013, this issue had yet to run its course while this survey was being conducted.

There is no bank among the top five most popular employers with Spanish business students.

Moreover, students planning to go into banking do not intend to stay around very long: 71.0 per cent expect to leave their first job within five years.

However, banks have some reasons for optimism. The rate of decline in the popularity of banking has slowed, and the sector is still – just – the most popular among business students. Moreover, banking has not lost its high-status image: when shown a list of banks and asked for the first word that came to mind, the most popular association among Spanish business students was “prestige”. Prestige was also ranked sixth out of forty desirable job attributes.

### Banking hangs on to the top slot – just

Banks are still a more popular choice of “ideal employer”<sup>2</sup> than employers in any other industry, but their lead over fast-moving consumer goods companies (FMCG) has narrowed to just one percentage point. (See Figure 2.)

### Retail continues to rise

The popularity of Inditex, owner of Zara, has helped to make retail an increasingly attractive choice for Spanish business students. (See Figure 3.) Spain is the only EMEA country where the retail sector features in the top three industries among business students.

Figure 1. Student demographics, Spain, 2014

	All business students	Banking-inclined students	Investment banking-inclined students
Female	61.9%	50.6%	39.7%
Male	38.1%	49.4%	60.3%
Number of students	4,439	1,803	927
Average age	22.5	22.0	21.5

Source: Universum Talent Survey 2014; Deloitte analysis

<sup>1</sup> Students studying business-related subjects.

<sup>2</sup> Business students were presented with a list of employers from a range of sectors. They chose an unlimited list of companies for which they might consider working. Next they narrowed the choice to a maximum of five “ideal employers”.

### Everyone loves Google

Google is the number one “ideal employer” for Spanish business students, as it is in 14 other markets surveyed globally.

### In search of balance

Work-life balance is by far the top career goal for banking-inclined students<sup>3</sup>. Job security has risen in importance to take equal second place together with the desire for an international career. (See Figure 4.)

### Men dominate investment banking

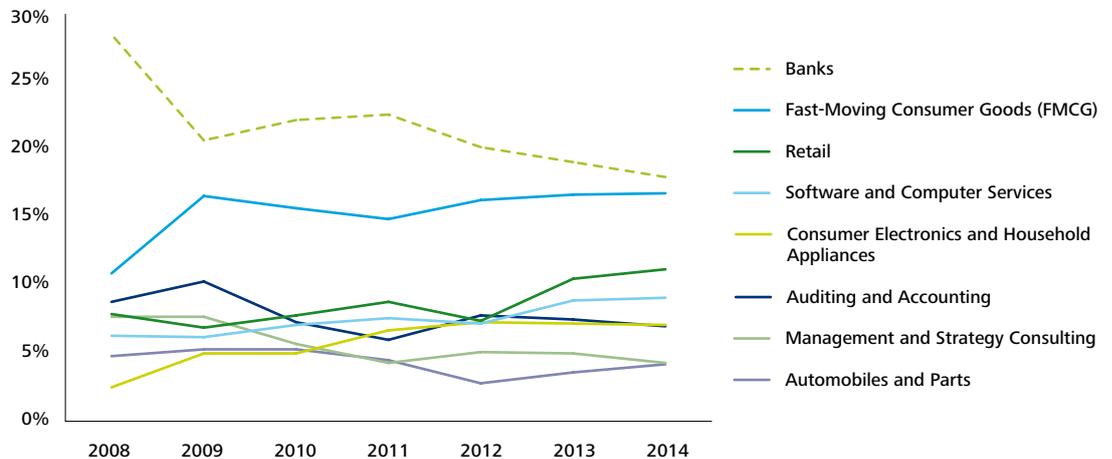
Although 61.9 per cent of business students in the survey were women, only 50.6 per cent of banking-inclined students and 39.7 per cent of investment banking-inclined students were women. (See Figure 1.)

### Not money motivated

Like most of their peers in other countries, Spanish students value training and development above high pay. (See Figure 7.)

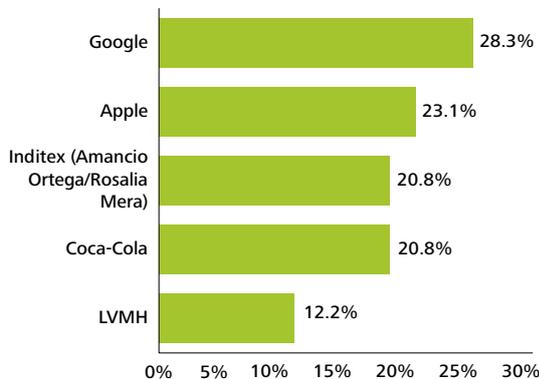
## The slide in banking continues as consumer goods gain ground

Figure 2. Industry popularity among Spanish business students, 2008 to 2014



Source: Universum Talent Survey 2014; Deloitte analysis  
See Appendix for survey questions

Figure 3. Top five most popular employers, Spanish business students 2014



Source: Universum Talent Survey 2014; Deloitte analysis  
See Appendix for survey questions

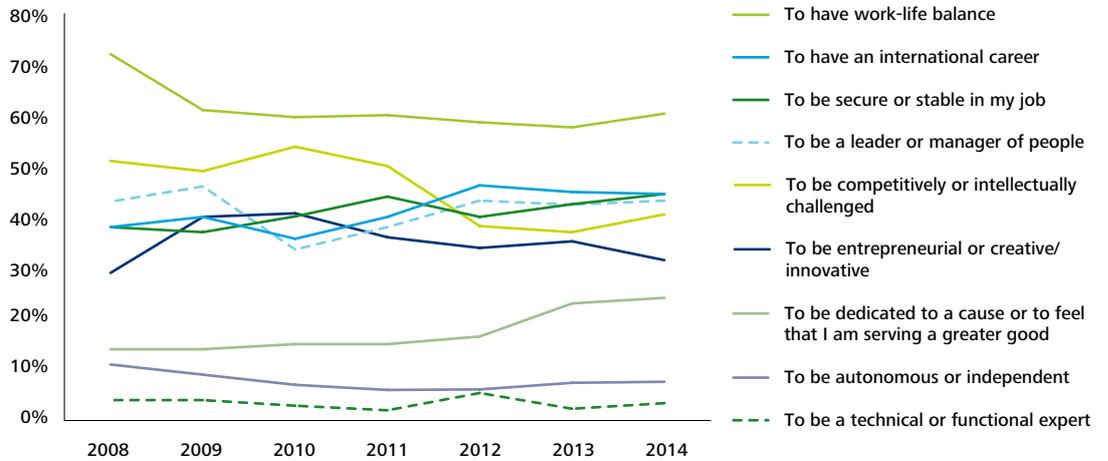
Figure 2 shows a clear trend. Since 2008 banks have gone from being by far the most popular employers among business students, to leading by only a small margin in 2014.

The decline in popularity of banking has been mirrored by gains for other sectors, particularly FMCG and retail.

Given the severity of the Spanish recession, it is perhaps no surprise that foreign multinationals dominate the list of “ideal employers”. The exception is Zara owner Inditex, the only Spanish company among the top five “ideal employers”, and one with a strong international business to offset weaker domestic demand.

<sup>3</sup> Banking-inclined students” are a subset who put at least one bank in their top five “ideal employers”.

**Figure 4. Career goals of Spanish banking-inclined students, 2008 to 2014**



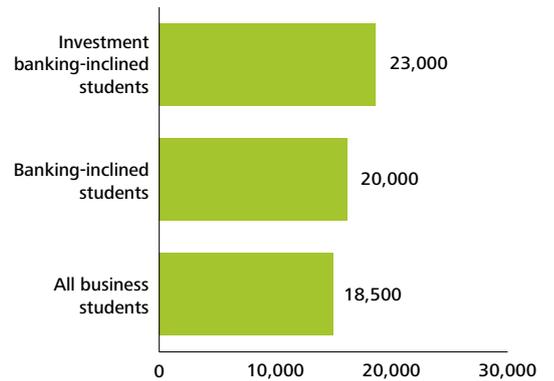
Source: Universum Talent Survey 2014; Deloitte analysis  
See Appendix for survey questions

Although “to have a work-life balance” remains the most important career goal for Spanish banking-inclined students, its importance has declined. More significantly, the desire “to be competitively or intellectually challenged”, which was the second-most popular career goal between 2008 and 2011, has slipped into fifth place out of nine.

“To be secure or stable in my job”, meanwhile, has risen to joint second place, together with “to have an international career”. These are unsurprising priorities, given weak domestic demand in Spain and youth unemployment of more than 50 per cent that has sent thousands of young Spaniards abroad in search of work.

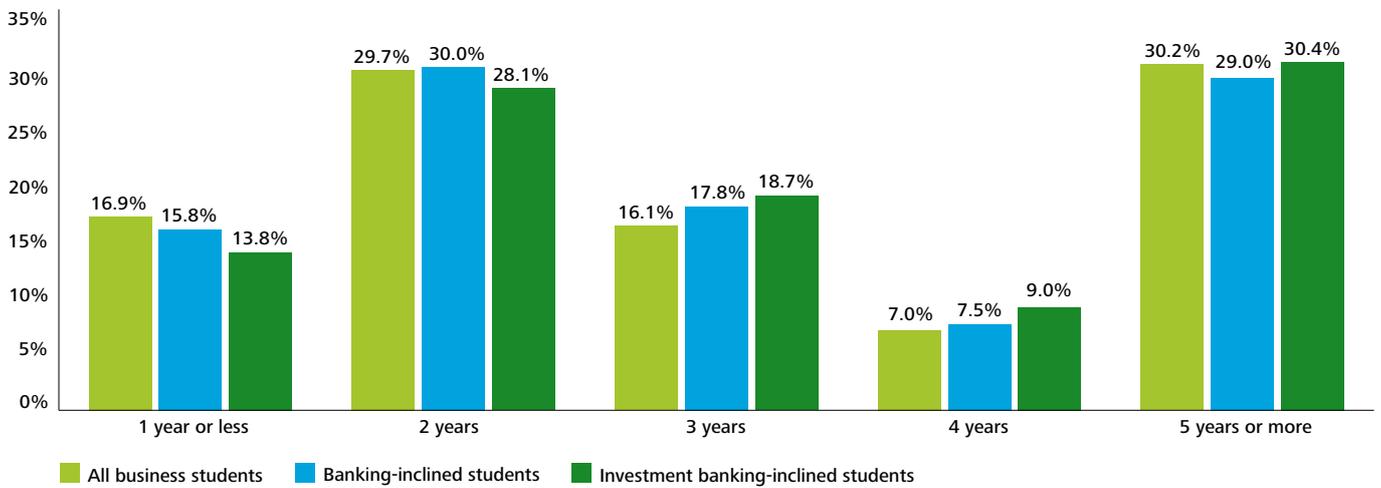
Against this backdrop of unemployment and emigration, the increase in the preference for “serving a greater good”, up from 14.0 per cent in 2008 to 24.1 per cent in 2014 is perhaps surprising, although the same trend is apparent in most other EMEA countries.

**Figure 5. Expected annual salary (EUR), Spanish students, 2014**



Source: Universum Talent Survey 2014; Deloitte analysis  
See Appendix for survey questions

Figure 6. Expected duration of first job, Spain, 2014



Source: Universum Talent Survey 2014; Deloitte analysis  
See Appendix for survey question

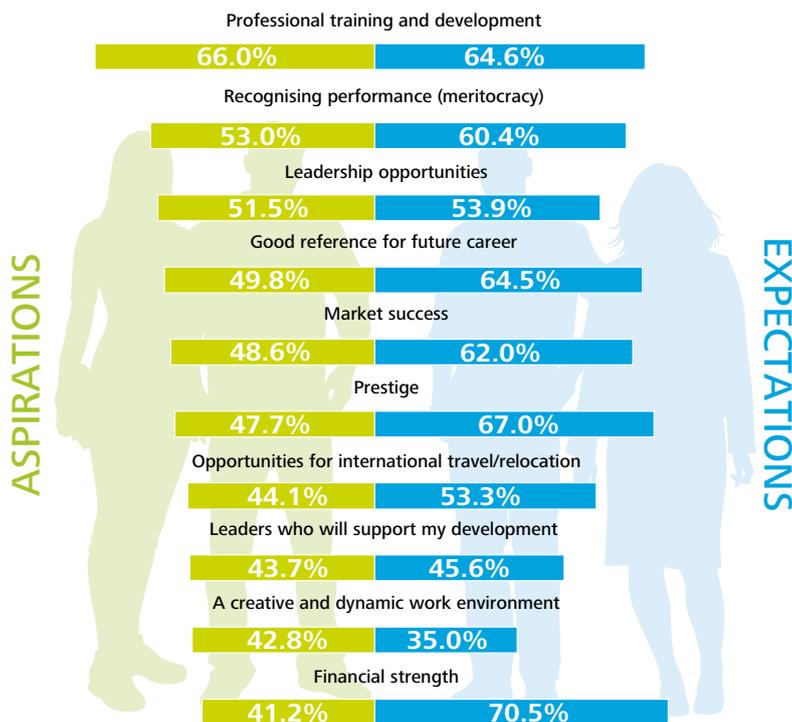
**Students value good training and recognition of performance above money or prestige**

Students were asked to choose up to 12 attributes, out of a total of 40, that they most sought for their five shortlisted “ideal employers”. The ten attributes that scored most highly for banking-inclined students are shown in the green bars in Figure 7 – “aspirations”.

Deloitte extracted the extent to which banking-inclined students expected to find each of these top ten aspirations in their shortlisted “ideal” banks. Each blue bar represents the proportion of banking-inclined students who expect to find this attribute at the bank(s) that appears on their shortlist of five “ideal employers”.

Please note that because the number of aspirations students can choose is capped at 12, while the expectations are uncapped up to 40, the proportions of students expecting a particular attribute is likely to be higher than those recording an aspiration for that attribute.

Figure 7. Spanish banking-inclined students’ aspirations versus expectations, 2014



Source: Universum Talent Survey 2014; Deloitte analysis  
See Appendix for survey questions

Spanish business students, whether banking-inclined or not, do not expect to stay in their first jobs for long. Just 30.2 per cent expect to reach their fifth anniversary and 16.9 per cent expect to leave in their first year. Italy is the only other EMEA country in the survey with similar ratios. Elsewhere in the EMEA region typically 40-50 per cent expect to stay five years, and just a handful expect to leave within their first year.

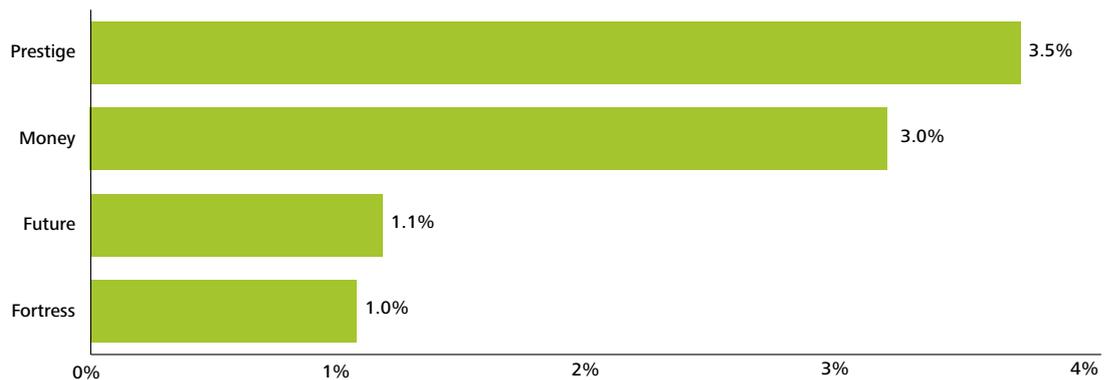
Deloitte looked at what banking-inclined students most want from their employer, and what they most associate with banks. Plotting the two against each other offers a view of where their aspirations and expectations coincide or diverge, and offers interesting insights to employers.

Most striking is the fact that two-thirds of banking-inclined students chose “professional training and development” as a key job attribute that they want. Although this was also rated top in many other countries in the survey, nowhere else did it score as high. The good news for banks is that they also expect to find this attribute in a banking job.

Banks may also be interested to see that only 29.1 per cent of banking-inclined students chose “competitive base salary” as a key aspiration – although 56.6 per cent expect banks to provide it.

### Word play

Figure 8. Top words associated with banking, Spanish banking-inclined students, 2014



Source: Universum Talent Survey 2014; Deloitte analysis  
See Appendix for survey questions

# Appendix

## **Note to Figure 2**

Survey question: "Choose the five employers you most want to work for [from the list of employers you would consider working for], your five ideal employers".

Industry popularity is calculated as the number of times employers from that industry are short-listed among the five "ideal employers".

## **Note to Figure 3**

Survey question: "Choose the five employers you most want to work for [from the list of employers you would consider working for], your five ideal employers".

## **Note to Figure 4**

Survey question: "Below is a list of nine possible career goals. Which are most important to you? Please select a maximum of 3 alternatives." Importance of goals is then calculated as the percentage of students choosing each career goal on their shortlist of top three goals.

## **Note to Figure 5**

Survey question: "What is your expected salary before tax at your first employment after graduation, excluding commission and bonus?"

## **Note to Figure 6**

Survey question: "How long do you expect to stay with your first employer after graduation?"

## **Note to Figure 7**

Percentages are based on answers to the following survey questions. Aspirations – "Which of these are most important to you? Please select a maximum of three alternatives [in each of the following four categories: Employer Reputation and Image; Job Characteristics; People and Culture; and Remuneration and Advancement Opportunities]." Expectations – "Which of the following [40 attributes] do you associate with your chosen employer(s)?"

## **Note to Figure 8**

Survey question: "What is the first word that comes to mind when you think of these employers?"

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