

The Deloitte Talent in Banking Survey 2014 Austria in Focus

The reputation of banking in Austria was hit hard by the financial crisis and has yet to recover. The sector has fallen from second place in the 2007-2008 academic year survey, when the credit crunch was still unfolding, to ninth place now.

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.

Figure 1. Student demographics, Austria, 2014

	All business students	Banking-inclined students	Investment banking-inclined students
Female	60.3%	54.7%	34.2%
Male	39.7%	45.3%	65.8%
Number of students	2,426	402	79
Average age	23.8	23.1	22.4

Source: Universum Talent Survey 2014; Deloitte analysis

With the taxpayer still footing the bill for high-profile bank bail-outs, it is little surprise that banking fell further in popularity among Austrian business students¹ in the 2013-14 academic year.

Over the same period consumer goods and car manufacturing, traditional stalwarts of the Austrian economy, have remained popular career choices.

Consumer goods hold their lead

Fast-moving consumer goods (FMCG) is the most popular sector among Austrian business students. Although FMCG is a popular sector in most markets, the huge popularity of local 'hero' Red Bull extends its lead in Austria. (See Figures 2 and 3.)

Cars a clear number two

After Red Bull and other FMCG companies, the automotive industry is the sector that most attracts Austrian business students.

Banking slumps to ninth place

Overall, banking is in ninth place: in 2008 it was second behind FMCG. Banks were a choice of "ideal employer" for less than six per cent of Austrian business students: Raiffeisen is the only bank to make the list of the top five individual employers.

Everyone loves Google

For Austrian business students Google is the second-most popular "ideal employer"² after Red Bull: in 15 markets surveyed globally Google is number one.

Work-life balance is top priority

Banking-inclined students³ most frequently rate "to have work-life balance" as their top overall career goal out of nine choices, followed closely by "to be competitively or intellectually challenged". (See Figure 4.)

Hard work and uninspiring bosses?

Around 69.5 per cent of Austrian banking-inclined students expect a bank job to entail "challenging work", but only 39.6 per cent of them actually value this as a job attribute. 43.1 per cent value "inspiring management", but only 34.1 per cent expect to find it in a bank. (See Figure 7.)

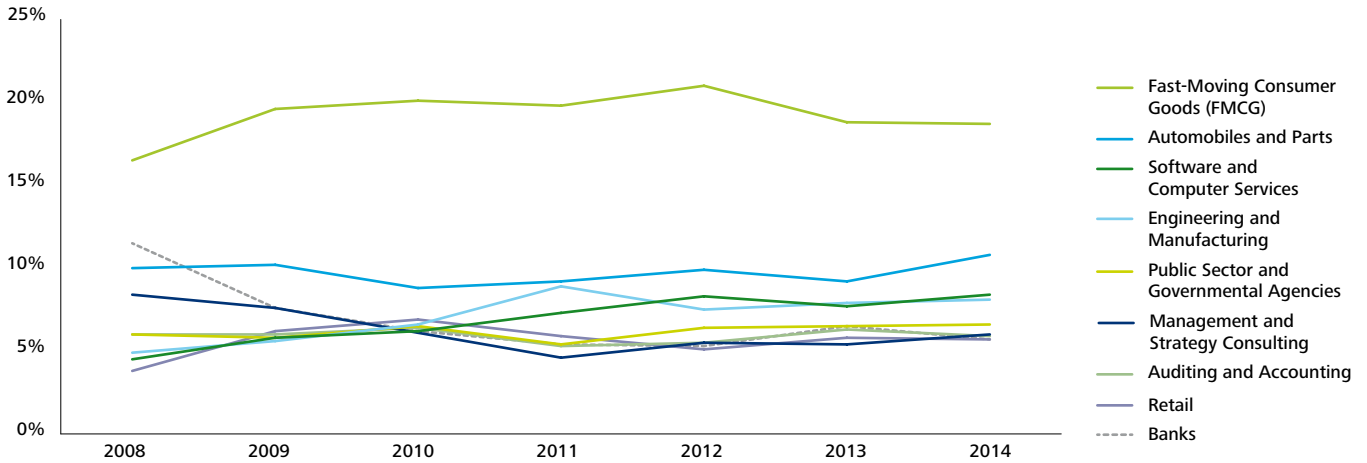
¹ Students studying business-related subjects.

² 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".

³ "Banking-inclined students" are a subset who put at least one bank in their top five "ideal employers".

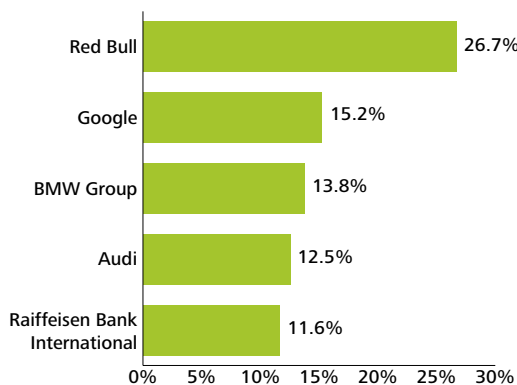
Banking faces tough and varied competition

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



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

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



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

FCMG has retained an undisputed lead in popularity every year since 2008. A second tier of industry sectors come within a band of about five percentage points and jockey for position each year.

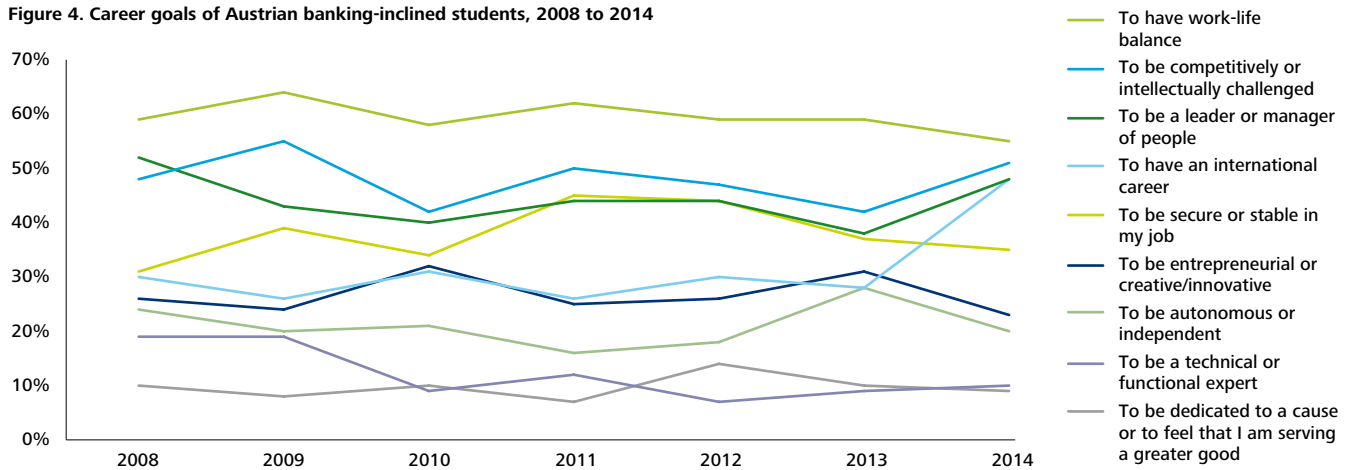
Within this second tier, the automotive industry has been the leader every year since 2009, when banking first slumped in popularity and it is no surprise to see two car manufacturers among the top five “ideal employers” for Austrian business students. The automotive industry has traditionally been a major employer, with the big German and US manufacturers producing vehicles in Austria, and a sizeable parts and components sector.

While banking has declined, software and computer services have gained steadily in popularity. Engineering and retail have also performed well. This wide range of competitors contrasts with many other EMEA markets, where the threat to banking comes from just one or two other sectors.

It suggests that banks in Austria face a particularly tough challenge, and will have to work hard to attract new young talent.

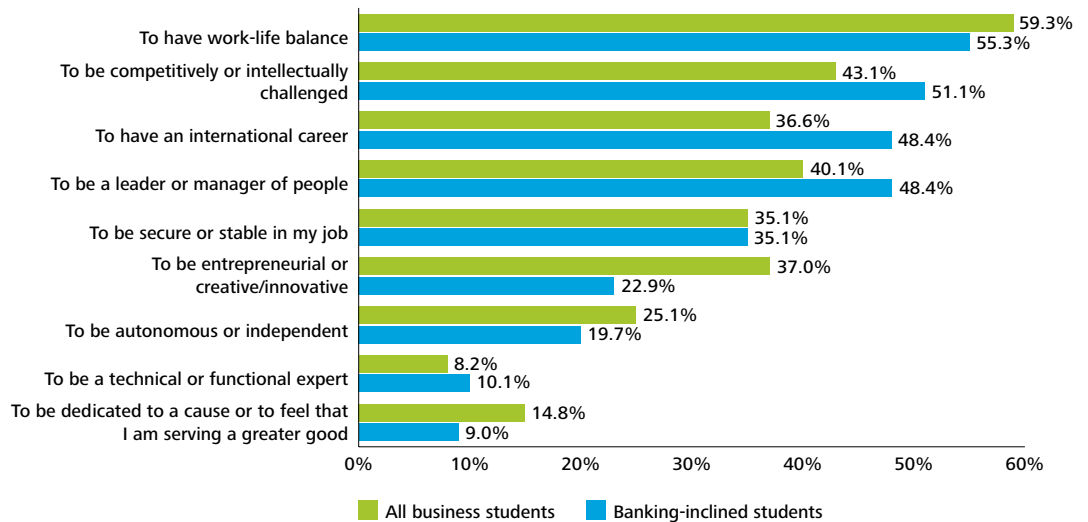
Banking-inclined students seek challenge and leadership, after work-life balance

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



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

Figure 5. Career goals of Austrian students, 2014



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

The good news for banks is that banking-inclined students are more likely than other business students to value competitive or intellectual challenge and leadership opportunities; however, they are less motivated by entrepreneurialism or creativity. (See Figure 5.)

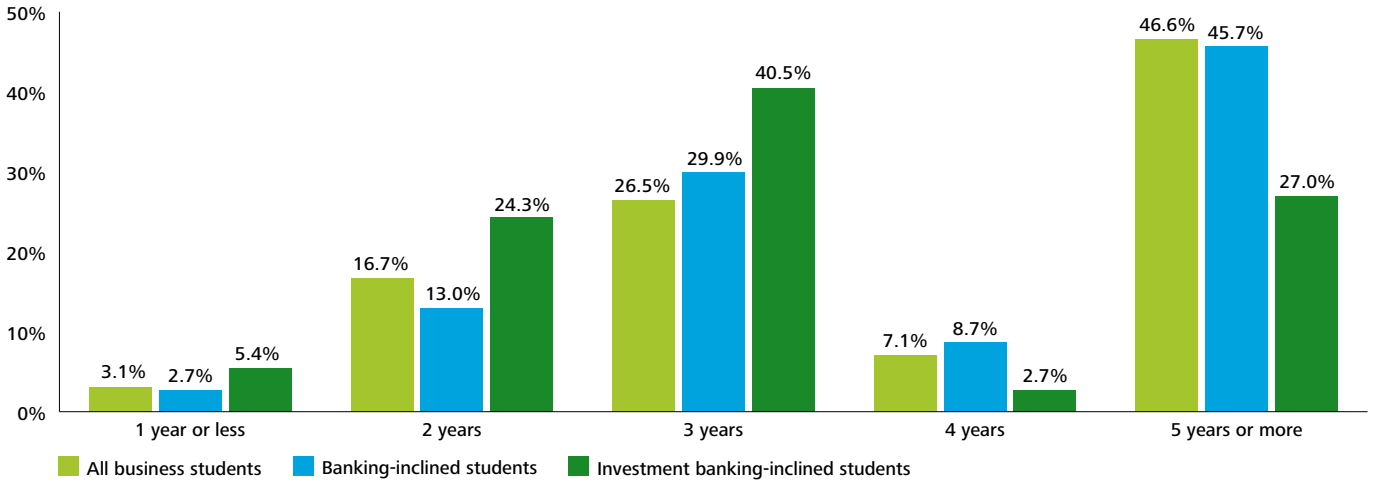
Among all business students, whether banking-inclined or not, "to have work-life balance" is the number one priority, the same as in several other markets surveyed.

It is interesting to see that 70.2 per cent of investment banking-inclined students expect to stay in their first job for only three years or less while almost half of all business students expect their first jobs to last at least five years.

It is also worth noting that two-thirds of investment banking-inclined students are men. This is higher than the EMEA average of 58.7 per cent, and much higher than the proportion of men in the survey in Austria, where they made up just 39.7 per cent of the total.

Investment bankers more likely to switch jobs – and to be men

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

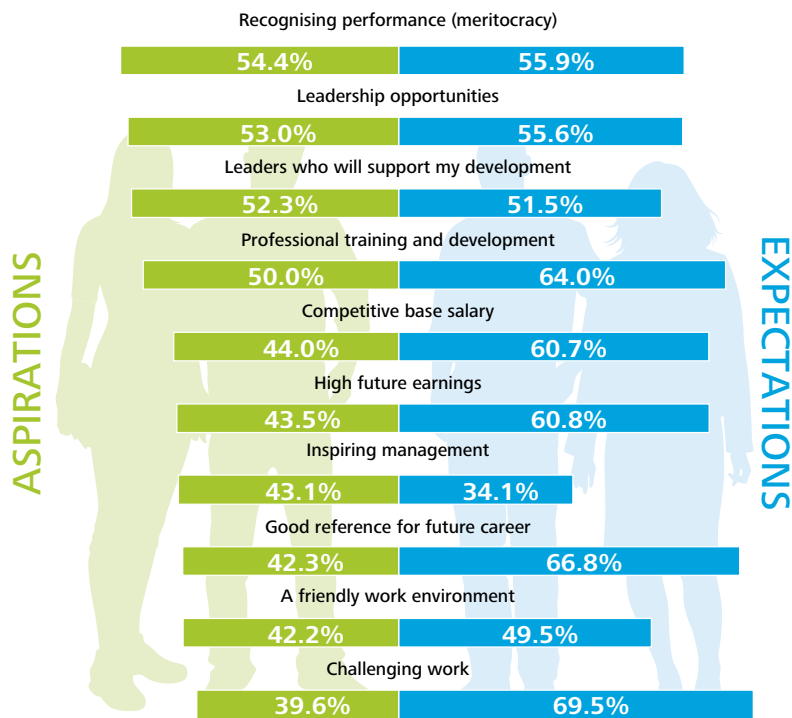


Source: Universum Talent Survey 2014; Deloitte analysis
See Appendix for survey questions

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”.

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



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

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.

Do banks offer what students want?

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 this may offer interesting insights to employers.

The good news for banks in Austria is that banking-inclined students expect banks to provide the job attributes that they most value: “recognising performance (meritocracy)”, “leadership opportunities” and “leaders who will support my development”.

More worrying for banks are certain key areas of divergence. Some 43.1 per cent of banking-inclined students say that working with “inspiring management” is a top priority, but only 34.1 per cent of them expect to find this at a bank. Meanwhile, many banking-inclined students expect banks to require “high levels of responsibility”, “client interaction” and “challenging work”, but not many of them actually want these attributes in their jobs.

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 Figures 4 and 5

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 6

Survey question: "How many years do you expect to work for 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)?"

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