Winning the War for Tech Talent in FSI Organizations

February 2022
Financial Services’ war for tech talent isn’t new

However, the power has shifted from employer to employee...

40% of the global workforce is considering leaving their employer this year¹

61% of HR professionals reported that finding qualified developers would present the biggest recruitment challenge of the year²

7/10 was the average answer given by developers when asked, on a scale of 1 to 10 – 10 being extremely simple – how easy would it be to change jobs²

…and tech talent is winning the war

¹ Microsoft, “The next great disruption is hybrid work—Are we ready?”
² CodinGame 2021 Developer Survey Report
Financial Services organizations are on the defensive

74%

of Financial Services organizations say that the biggest barrier to implementing new technology is their skills gap\(^1\)

MEANWHILE...

73%

of high-potential employees would leave their jobs for opportunities that better utilize their existing skills\(^2\)

Workers aren’t shy about how they feel\(^3\)...

Tech workers are second-class citizens, lack of engineering talent on many teams

A lot of technology in the company’s core business is very outdated... I wouldn’t recommend going here for software engineering unless you go into some of the teams that use newer technology

You will be building tools for business users who treat you very poorly and have unreasonable expectations

Everybody is smart, but depending on the team, they have little interest in helping you learn and grow. Working here sets you up to continue working at banks in the future, which is not very promising

How can Financial Services organizations change their tactics to be more effective?

1. Future of Jobs 2020 – WEF
2. Opportunity Marketplaces – MIT & Deloitte
3. Glassdoor reviews from tech workers at FSI companies
What does it take to become a destination for top technical talent?
[I]f it were easy, you probably would have already done it – and so would have a number of the other companies scrambling for available workers in your markets.

—Tino Sanandaji, Fernando Monte, Alexandra Ham, and Atta Tarki (HBR)
We surveyed 500 technology professionals...

Bringing over 6 years of experience
Department Heads or Managers
In the prime of their careers (36-45 years old)

...to understand their motivations and preferences
Executive Summary

Across all industries...

#1 For tech talent, the #1 incentive attracting them to new job opportunities was the work (54%) they would do in a given role.

56% of respondents indicated overall technology strategy was the most important factor in evaluating a potential job offer.

The least important incentives attracting tech talent to a new role were job titles (17%) and work-life balance (15%).

In addition, when considering a transition to Financial Services...

The top concerns were the people, leaders, and the culture within the Financial Services organization.

Compensation was a top motivator in accepting an opportunity, once other concerns were addressed.
To attract tech talent and get technologists in the door for an interview...

...organizations across industries must offer interesting and stimulating work
Across industries, above all else, tech talent is seeking **interesting work**

54% of respondents indicated that they were motivated by the *work they would do* in a given tech role.

Big Tech offers **technical challenges** that no one else does – the scale requires you to *innovate and come up with new ideas* as a leader. Working in this environment exposes you to what others are building.

*Engineer*

Once organizations ensure the work is interesting enough to attract tech talent, other factors contribute to **attracting and retaining individuals**:

- Work: 54%
- Colleagues: 47%
- Leadership: 39%
- Project Variety: 37%
- Benefit Packages: 35%
- Ability to Specialize: 26%

Certain factors play a less significant role in attracting tech talent to their current organizations:

- **Career progression**: 21%
- **Job titles**: 17%
- **Work-life balance**: 15%
Offering opportunities to do interesting work on a diverse, talented team *is the challenge*...

...everything else is secondary
We asked technologists to evaluate their decision criteria, agnostic to industry, within the dimensions of Work, Workforce, and Workplace, assuming interesting work is already available.

**WORK**
- 56% care most about technology strategy when evaluating a potential job offer.
- 42% value organizations with leading software management practices.
- 23% are looking for opportunities where application enhancements are prioritized.

**WORKFORCE**
- 39% indicate salary is the most important factor when evaluating a job offer.
- 32% share a desire to see an employers’ commitment to their development.
- 30% prioritize benefit packages.

**WORKPLACE**
- 36% value company reputation.
- 29% value company culture.
- 24% value the ability to choose where they work.
Expectations shift when it comes to attracting tech talent in Financial Services specifically...

...organizations must confront concerns about people, leadership, and culture
When it comes to tech roles in Financial Services...

**Over 76%** of technologists identified work as a **top motivator** when choosing to accept a tech role at an organization.

...**OTHER FACTORS THAT EMERGED AS MOTIVATORS SPECIFIC TO THE INDUSTRY ALONGSIDE COMPELLING WORK INCLUDE**...

![Bar chart showing factors and their percentages]

I would be drawn to Financial Services for **compensation**. Without comp, it would be **difficult to justify the other things I’d be giving up**. If you spend time in Financial Services, you lose access to big tech labor markets.

"- Engineer"

**People** emerged as the top concern among respondents regarding working at a Financial Services organization...

...followed by **leadership** and **culture**

- People: 67%
- Leadership: 60%
- Culture: 58%
- Career Prospects: 58%
- Technology and Data Capability: 56%
- Job Security: 55%
- Compensation: 55%
- Work/life Balance: 52%
- Company Reputation: 52%
- Work: 45%
So, what can Financial Services organizations do to attract tech talent?
Based on the findings of our research, Financial Services organizations seeking to attract tech talent can consider the following recommendations spanning Work, Workforce, and Workplace.

**WHAT TECH TALENT EXPECTS**

**WORK**
- Interesting work
- Impressive technology strategy
- Leading technology practices

**WORKFORCE**
- Competitive salary
- Opportunities to learn and grow
- Comprehensive benefits

**WORKPLACE**
- Well-respected organizations
- Strong company culture
- Ability to choose where work happens

**WHAT FINANCIAL SERVICES CAN DO**

**Create meaningful work opportunities designed around a strong tech strategy**

**Attract tech talent with competitive salaries**

**Emphasize strong company reputation and culture**
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Our research can lead to projects across emerging growth priorities spanning Work, Workforce, and Workplace.

**How We Can Help**

- **Redesign the physical and virtual workspace to optimize for meaningful tech-focused work opportunities and empower employees to choose where work happens.**
- **Re-architect technology work, focusing on capability / skill development and leveraging special projects, to attract target talent and enhance the existing employee experience.**
- **Create talent markets and mobility practices to source the best people, capabilities, and skills, enhancing access to tech talent and expanding the workforce ecosystem.**
- **Transform talent operating model to put skills at the center to deliver on tech talent’s expectations regarding learning and development.**
- **Enhance overall technology strategy and implement infrastructure and ecosystems to deliver interesting work needed to access and grow tech talent.**
- **Pilot new ways of working, including behaviors, culture, collaboration, and teaming, to engage tech talent in new, mutually rewarding ways.**
Let’s get to work.