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Bankers, in talent crunch, look to lure Generation Y

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by [Jennifer LeClaire](#)

Special to the Journal

Recruiters looking to play hero in the banking industry would do well to target Generation Y, according to new research from Deloitte & Touche.

While the combination of an aging talent pool and a diminishing pipeline affects many industries, the bankers have an additional challenge: overcoming negative perceptions in the wake of corporate scandals, said Rekha Sampath, an analyst with Deloitte Research in Boston and author of the 12-page report, "Generational Talent Management, Strategies to Attract and Engage Generation Y in the U.S. Banking & Securities Industries."

"Being an employer of choice for Generation Y is critical to the banking industry," Sampath said. "We expect Generation Y to transform the delivery of financial services products, so who better to engage in innovating and competing in the industry?"

Attracting Generation Y (those born from the late 1970s to the early 1990s) to banking requires a fresh approach -- one that includes a balance of idealism, pragmatism, flexibility, respect and accessibility, Sampath said. Indeed, she said replenishing the banking industry workforce demands opportunities for long-term career development with a variety of experiences, offering a sense of purpose and meaning, fostering open social networks and instilling a good work-life balance.

"These strategies need to be embedded in the corporate culture. It demands a top-down approach, not a piecemeal implementation," Sampath said. "This will not only offer a competitive advantage to banks, but will become a necessity in the next few years."

Galina Jeffrey, executive vice president for The Forum Corp., a Boston-based global consulting firm, not only agreed but took it one step further. She said she believes it's necessary right now.

"There's a huge gulf forming between the companies that are putting in place programs that will groom that talent in-house and those that are either leaving it to chance or hoping to hire away someone else's talent," Jeffrey said.

Indeed, Peter Woolford, an IT staffing recruiter with Kforce Inc.'s Boston office, said he recruits talent from the banking industry regularly. In his experience, bank employees aren't satisfied with the industry's salaries or advancement opportunities and are willing to move to greener pastures, especially on the technology side of the equation.

"If you are tremendously ambitious, generally banks are not the fastest place to grow your career," Woolford said. "If you want to move ahead dramatically, you'll go to a large financial services firm or an aggressive tech firm."

Sampath said banks can overcome poor perceptions by focusing more on the needs of the workers, which vary somewhat from baby boomers to Generation X to Generation Y. With Deloitte estimating that 1.4 million new Generation Y candidates will join the labor pool this year and with millions of baby boomers retiring over the next few years, Generation Y is a demographic worth catering to, she said.

Banks should consider creating personal development plans, chart clear and transparent career paths and invest in training and developing the Generation Y workforce, according to the Deloitte study. Organizations should also enable individuals to find what is meaningful to them and create an environment that lets them realize those values. To top it off, Generation Y wants formal and informal mentoring approaches.

"Remember, this generation has had coaches for everything -- sports, academics, college applications," Jeffrey said. "Leaders in organizations need to focus on the role that they play as coaches and provide clear career paths that this talent pool finds so necessary for their sense of growth and value."

This younger generation responds to online recruiting tools and wants multiple communication platform options with gaming simulations as learning tools, Deloitte reported. And they embrace a social infrastructure to share ideas in a true online social networking style made popular by such sites as **MySpace.com**.

"Addressing Generation Y doesn't have to conflict with the needs of previous workforce generations, because the needs of this group are going to become the demands of previous generations as well," Sampath said. "It's only a matter of time."

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