Financial Services Presents:

Talent Management in U.S. Financial Services: Attracting and Engaging Generation Y

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Agenda

• What is generational talent management?
• The scenario
  – Four workforce generations
  – Shifting talent paradigm
• Context
• Deloitte’s talent management frameworks
  – Strategies to attract and engage Generation Y
  – Strategies to brand for Generation Y
  – Generational talent management approach: branding
  – Overall talent management approach
• Conclusions
What is generational talent management?

- **Talent management** – The integrated set of resources, processes and values designed to attract and engage key talent to drive business priorities.

- **Generational competence** – The ability to understand each generational grouping, what matters most to them and how to motivate them.

- **Generational roadmap** – A comprehensive plan for corporate resources, processes and values that instills enduring generational competence to drive business priorities.
The scenario: four workforce generations

<table>
<thead>
<tr>
<th>Generations</th>
<th>Corporate Influence</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veterans ~5%</td>
<td>Board of Directors</td>
<td>Birth Years (1925-1945); Age: 62-82</td>
</tr>
<tr>
<td>Boomers ~45%</td>
<td>C-Suite High-level Management</td>
<td>• Dedicated, respect authority</td>
</tr>
<tr>
<td>X-ers ~40%</td>
<td>Low-to-Mid Level Management</td>
<td>• Accept existing corporate structure</td>
</tr>
<tr>
<td>Y-ers ~10%</td>
<td>Entry Level</td>
<td>Birth Years (1965-1981); Age: 26-42</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Pragmatic, adaptable, informal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Take charge of career</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Use personal networks</td>
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Birth Years (1982-1993); Age: 14-25
• Value empowerment, idealistic
• Technology as a “way of life”
• Value open, honest communication
The scenario: shifting talent paradigm

A combination of factors have contributed to looming talent shortages across the U.S. financial services industry

- Aging workforce
  - Retiring Baby Boomers and Veterans
- Diminishing pipeline
  - Insufficient numbers of young professionals
- Negative publicity and perception
  - Some financial services sectors not perceived as exciting/leading-edge
  - Highly publicized corporate scandals
- Cyclicality
  - Recent economic improvement follows years of sluggish growth and downsizing
- Changing competitive landscape
  - Influx of Gen Y customers who want their needs/preferences addressed
  - Increased focus on regulation, compliance, sales, and technology skills
The industry needs answers

• What are the salient workforce values/needs of Gen Y and how can employers engage and sustain their interests?
• How can organizations craft their employer brand to best communicate their commitment to these Gen Y values/needs?
### Deloitte’s talent management frameworks

#### Strategies to help attract and engage Generation Y

<table>
<thead>
<tr>
<th>Gen Y Workplace Needs</th>
<th>Strategies for Employers</th>
<th>Underlying Gen Y Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term career development and multiple experiences</td>
<td>Enable career planning and mobility, train talent, foster mentoring, cultivate networks</td>
<td>• Flexibility</td>
</tr>
<tr>
<td>Sense of purpose/meaning in the work</td>
<td>Enable individual goal development and pursuit, communicate corporate vision, focus on strengths</td>
<td>• Balance</td>
</tr>
<tr>
<td>Open social networks that embrace honest communication</td>
<td>Create organizational agility, enable networking/mentoring, offer channels for feedback</td>
<td>• Respect</td>
</tr>
<tr>
<td>Work/life flexibility</td>
<td>Solicit employee input, create flexible workspaces/arrangements</td>
<td>• Accessibility</td>
</tr>
<tr>
<td>Tech-savvy work environment</td>
<td>Employ online recruiting, offer flexibility around media choice, offer gaming simulations as a learning tool</td>
<td></td>
</tr>
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Deloitte’s talent management frameworks

Strategies to brand for Generation Y

- Elements of employer brand: to capture Gen Y mindshare, employers must market their reputations consistently through their actions and offerings

Deloitte’s talent management frameworks

- Strategies to brand for Generation Y (cont’d)
  - Employer tactics can vary in scope and complexity

<table>
<thead>
<tr>
<th>Expertise (what you do)</th>
<th>Seek multi-generational input on knowledge and skills improvement and communication; institute programs for reverse mentoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style (how you do it)</td>
<td>Enable collaboration on critical large-scale projects; institute development plans and rotational programs; establish flexible work/benefit structures</td>
</tr>
<tr>
<td>Positioning (how you are different)</td>
<td>Conduct multi-generational focus groups of existing/potential employees to help identify and highlight points of employer differentiation; use a variety of channels for communication</td>
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</tbody>
</table>
## Case Studies

<table>
<thead>
<tr>
<th>Organization Type</th>
<th>Description</th>
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</table>
| A large multi-national securities firm | • Created an internal incubator to give valued non-traders opportunities to test their trading skills  
  - Strategy: targets Gen Y need for long-term career development and multiple experiences; offers flexibility in organizational roles |
| A large multi-national securities firm | • Provides its top 3% of operations and technology staff with additional senior networking opportunities, as well as training & development  
  - Strategy: targets Gen Y need for open social networks; offers flexibility in organizational roles and rewards |
| A large regional bank | • Helps students develop their resumes to generate buzz and identify strong prospects  
  - Strategy: uses “high touch” recruiting to brand |
| A major national bank | • Created a bonus for junior employees that depends only on the company’s overall performance to encourage employees to act for the overall company good  
  - Strategy: creates a sense of purpose and meaning in the work environment through a “community of commitment”; innovation in rewards programs |
Deloitte’s generational talent management approach: branding

Identify & Diagnose
- Identify current talent management initiatives for employer branding
- How effective are current Employer Branding initiatives at addressing the Gen Y workplace needs/values identified?

Assess & Review
- Benchmark existing branding efforts against Gen Y workplace values
- Define Generational Roadmap for Employer Branding

Act -- Next Steps: Where do we go from here?
- What new branding strategies would establish and communicate generational competence?

CUSTOM STUDY

Define Generational Roadmap for Employer Branding

<table>
<thead>
<tr>
<th>Leadership &amp; Culture</th>
<th>Talent Recruitment</th>
<th>Performance Management</th>
<th>Succession Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce Planning</td>
<td>Workforce Development</td>
<td>Rewards &amp; Recognition</td>
<td>Others</td>
</tr>
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Conclusions

• To engage and motivate Gen Y talent, managements must create cultures of flexibility, balance, respect and collaboration.

• To capture Gen Y mindshare they must communicate their commitment to these values consistently.

• These organizational attributes should work to have a positive long-term effect on all the workforce generations.
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