

Talent Development Survey 2017

A report by The Hong Kong Institute of Bankers to understand the current talent development landscape in Hong Kong's banking industry

Message from CEO

Dear Members,

The banking environment is getting more complex and is evolving faster than ever before. The emergence of FinTech is revolutionising the traditional role of the banking industry, asking questions about how and where services are delivered. This leads to a new landscape that presents both opportunities and challenges for the sector.

To understand the impacts of these changes on the banking industry, and the need for related training, The Hong Kong Institute of Bankers (HKIB) conducted the **Talent Development Survey 2017**. This follows the successful survey in 2016 and allows us to identify trends and benchmark sentiment. We were delighted with the positive response that we received and thank you for those participated in the survey.

Amongst the key findings we were pleased to discover that the practitioners who responded believe banking to be appealing to young people and generally regard FinTech as an opportunity to the industry. Ensuring a flow of new talent and embracing the technology are particularly significant phenomena that will ensure our industry is sustainable and key drivers for the HKIB.

Another finding was the strong demand for standardised training and a streamlined path in terms of career development. This insight underlines the importance of the work the HKIB does as a benchmark setter and training service provider with our range of professional programmes.

The Certified Banker (CB) qualification, a common qualification benchmark launched by the HKIB, is said to be one of the most important qualifications in the banking industry since its launch early this year. Developed in conjunction with regulators and market participants, this qualification is intended for practitioners who wish to advance their career within the fast-changing banking environment. Our website has more details on this programme and information on how to join this next cohort.

The sustainable growth of the banking industry relies on people and talent development. The HKIB will continue to support the capacity building in the banking industry to reinforce Hong Kong's status as an international financial centre. Thank you for your interest in this survey and I hope for your ongoing support and engagement with the HKIB.

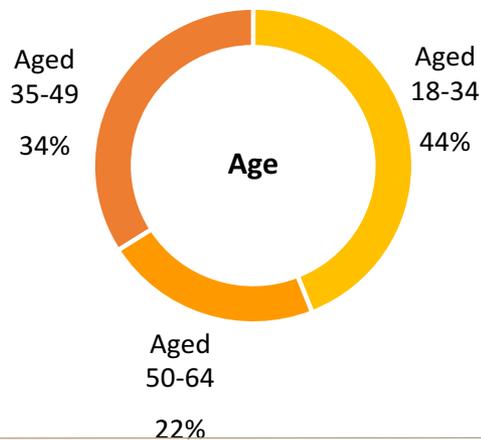
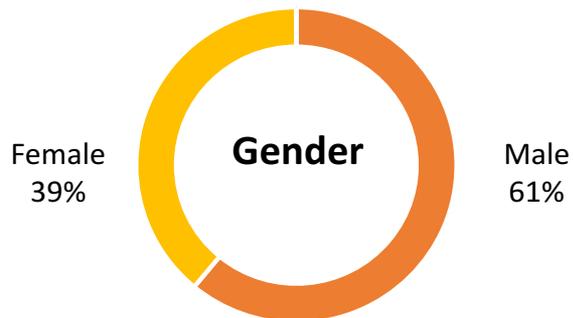
Carrie Leung ,Chief Executive Officer, The Hong Kong Institute of Bankers

The findings of this survey can be divided into **two key areas**:

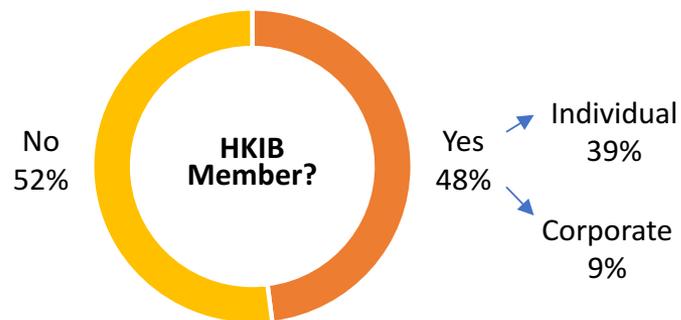
1. Banking Industry Outlook
 - General overview
 - Emergence of FinTech
2. Training Landscape and Demand

More about the research

Respondent Profile (1)



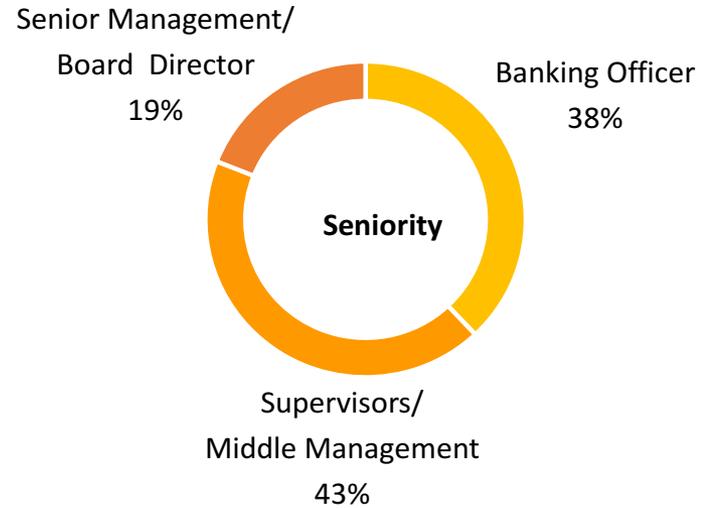
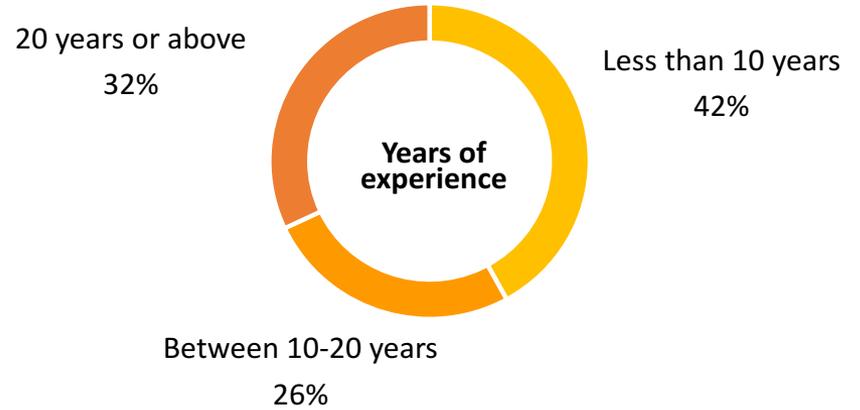
Background



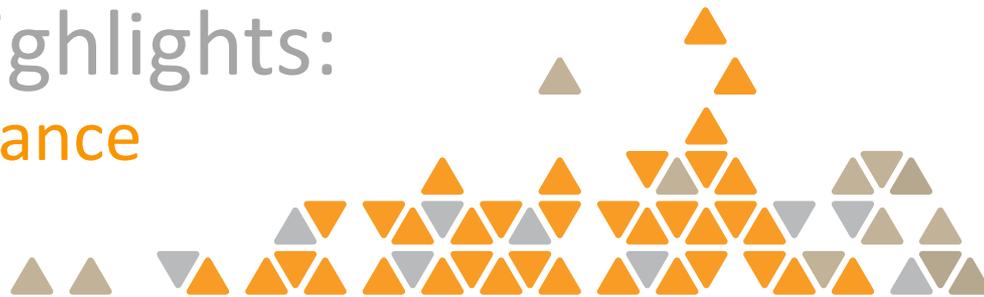
More about the research

Respondent Profile (2)

Business Division



Research highlights: findings at a glance



Findings at a Glance

Part 1a: Banking Industry Outlook – *General Overview*



75% of respondents agree **banking is a profession.**

2016: 66%



Almost 80% of respondents think they are likely to **stay in the banking industry** for the next five years.

2016: 76%



Almost 60% of respondents consider that the **banking industry to be appealing to young people.** **2016: 60%**

On the same question, **67% of those aged 18-34 agree that banking is appealing.** **2016: 51%**



Risk & Compliance (40%) **2016: 34%**
& Wealth Management (12%) **2016: 17%**
continue to be perceived as **the most attractive business divisions** for developing a career in banks

Findings at a Glance

Part 1b: Banking Industry Outlook – *Emergence of FinTech*



55% of respondents think **FinTech is as an opportunity** for the industry.

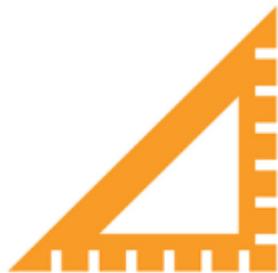


Over **40%** of respondents believe their roles will be **replaced by automation or FinTech**, especially among the young (56%) & less experienced (53%).



Yet the more experienced (63%) and senior (72%) staff tend to be **less alarmed**.

Part 2: Training Landscape and Demand



Similar to last year, almost **80%** of respondents think that the **Common Qualification Benchmark** helps to raise practitioners' professional status.



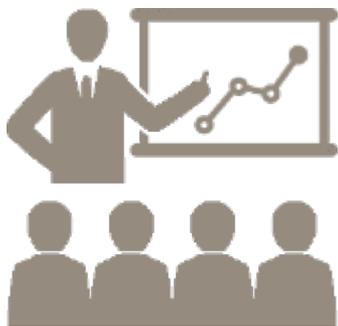
84% of respondents recognise the need to **streamline the training path.**



94% of respondents find it **difficult to evaluate a professional qualification**, mostly because there are **too many qualifications** in the market and the industry **lacks a standardised qualification scheme**

Findings at a Glance

Part 2: Training Landscape and Demand (Cont.)



81% of respondents think that the **industry demand for training will grow** in the future, similar to that of last year.

2016: 82%

58%



28%



Most respondents received **external training** in **Risk & Compliance (58%)**, **AML/CFT (49%)**, and **FinTech & Cybersecurity (28%)** in the past 12 months.



By comparison, Risk & Compliance topped the external training list (67%), followed by Role specific subjects (50%) and Fintech & Cybersecurity (22%) in last year's survey .

Diving into the Numbers

Part 1a

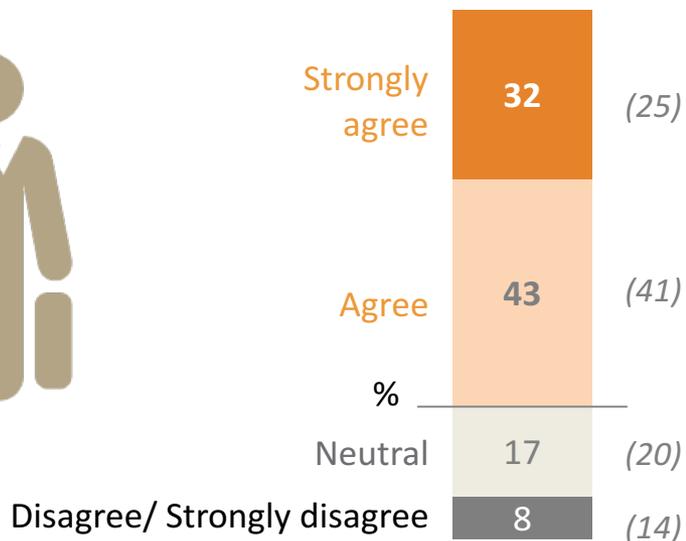
Banking Industry Outlook: *General Overview*



75% see banking as a profession

To what extent do you agree that banking is a profession in Hong Kong? (要求專業資格的行業)

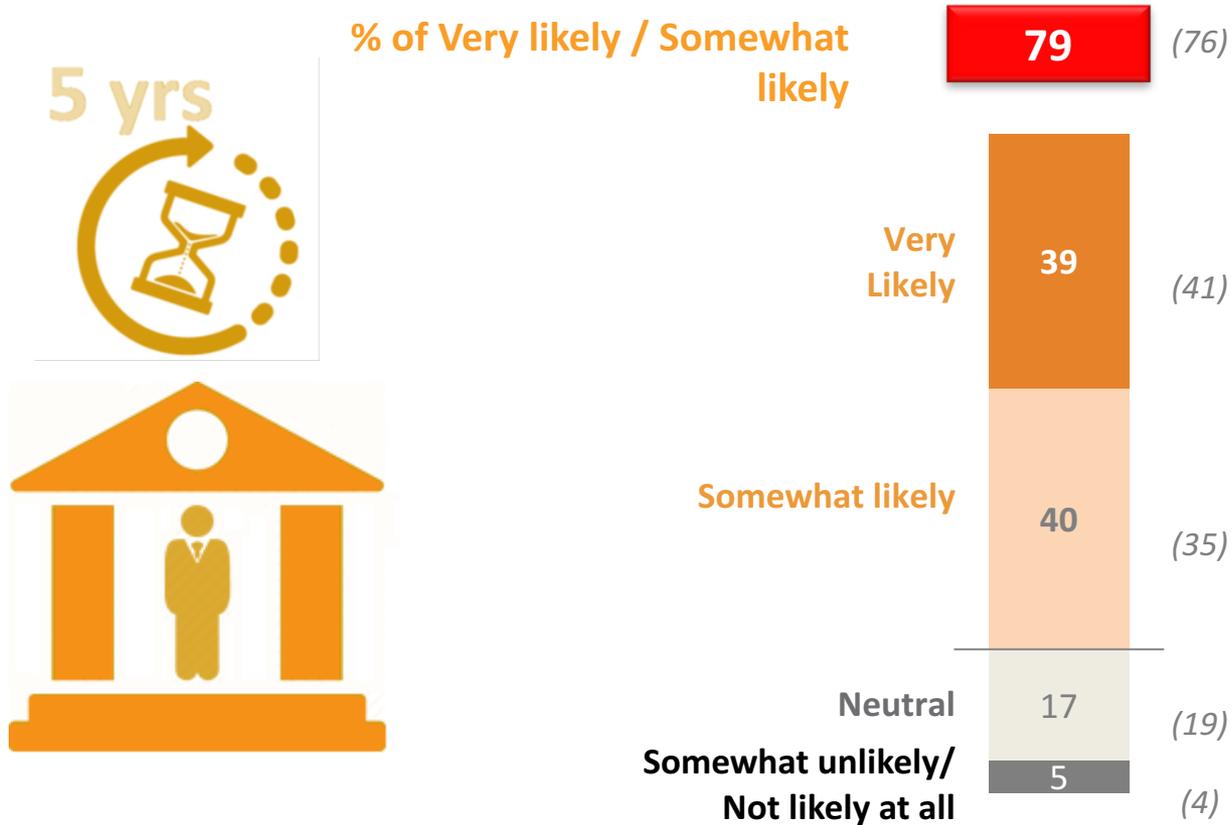
% of Strongly agree/ Agree **75** (66)



Figures in () denote results in 2016

Nearly 80% are likely to remain in the industry

How likely are you to remain in the banking industry for the next 5 years?



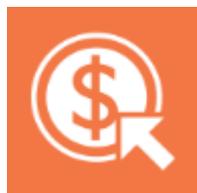
Figures in () denote results in 2016

Reasons to stay

How likely are you to remain in the banking industry for the next 5 years?

Nearly 80% are likely to remain in the industry

Top 3 Reasons for staying



Compensation

58%

(63%)



**Career
Advancement**

54%

(60%)



Job Satisfaction

47%

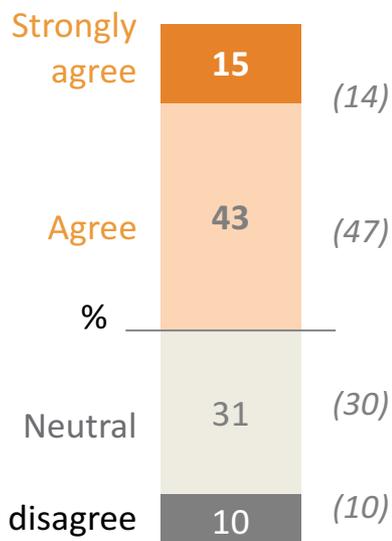
(45%)

Figures in () denote results in 2016

60% think banking industry is appealing to young people

To what extent do you think the banking industry is appealing to young people?

% of Strongly agree/ Agree **58** (60)



Almost **60%** of respondents consider that the Banking industry is **appealing** to young talent, similar with last year.

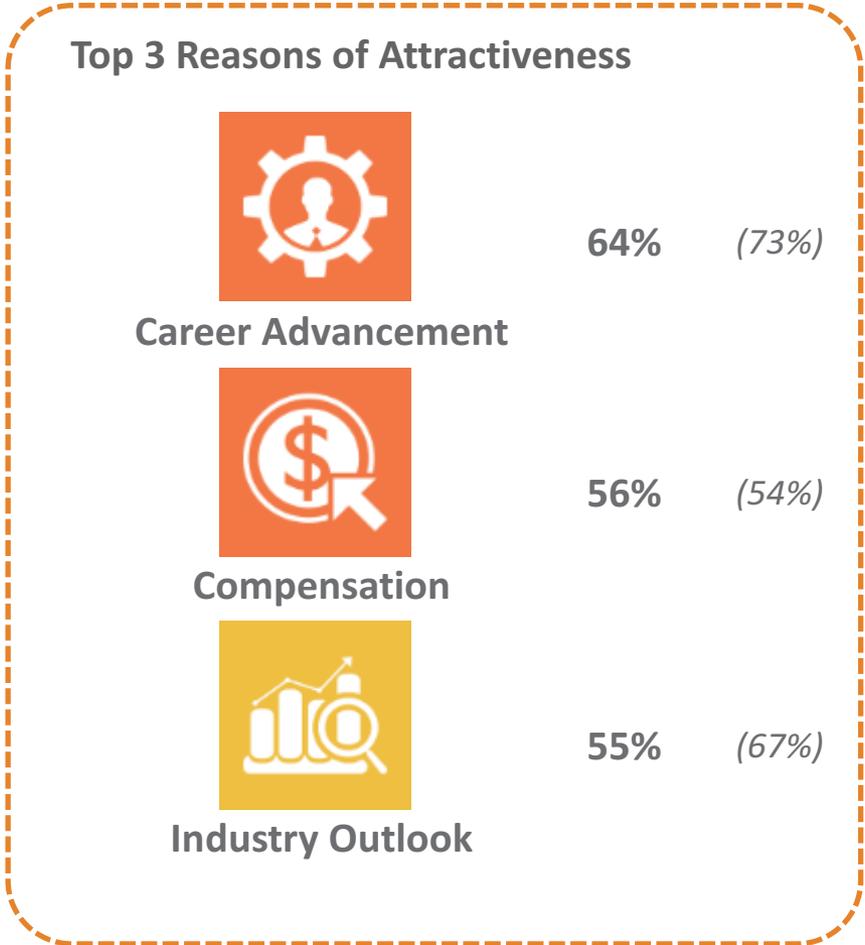
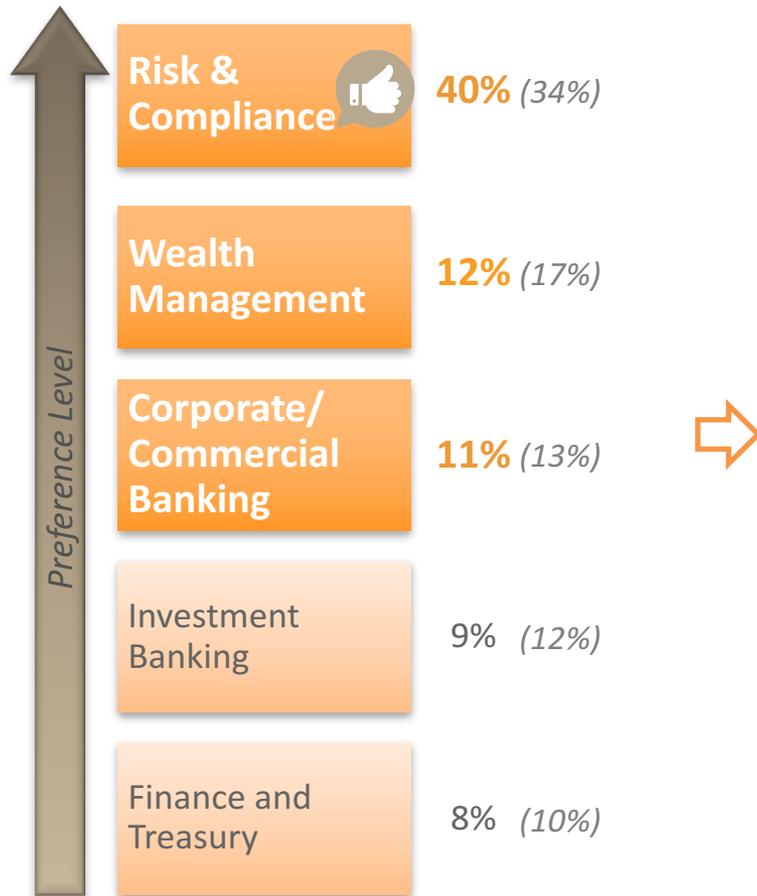
67% of those aged 18-34 agree, an **16 percentage point increase** from last year.



Figures in () denote results in 2016

Risk & compliance remains the most attractive department

Which department do you consider the most attractive for developing a career in bank?



Figures in () denote results in 2016

Diving into the Numbers

Part 1b

Banking Industry Outlook:

Emergence of FinTech



Majority view FinTech more of an opportunity

Is FinTech an opportunity or threat to the industry?

More of an Opportunity



View as an Opportunity

Board Director/
Senior management 64%

Neutral



More of a Threat



Difficult to tell 22%

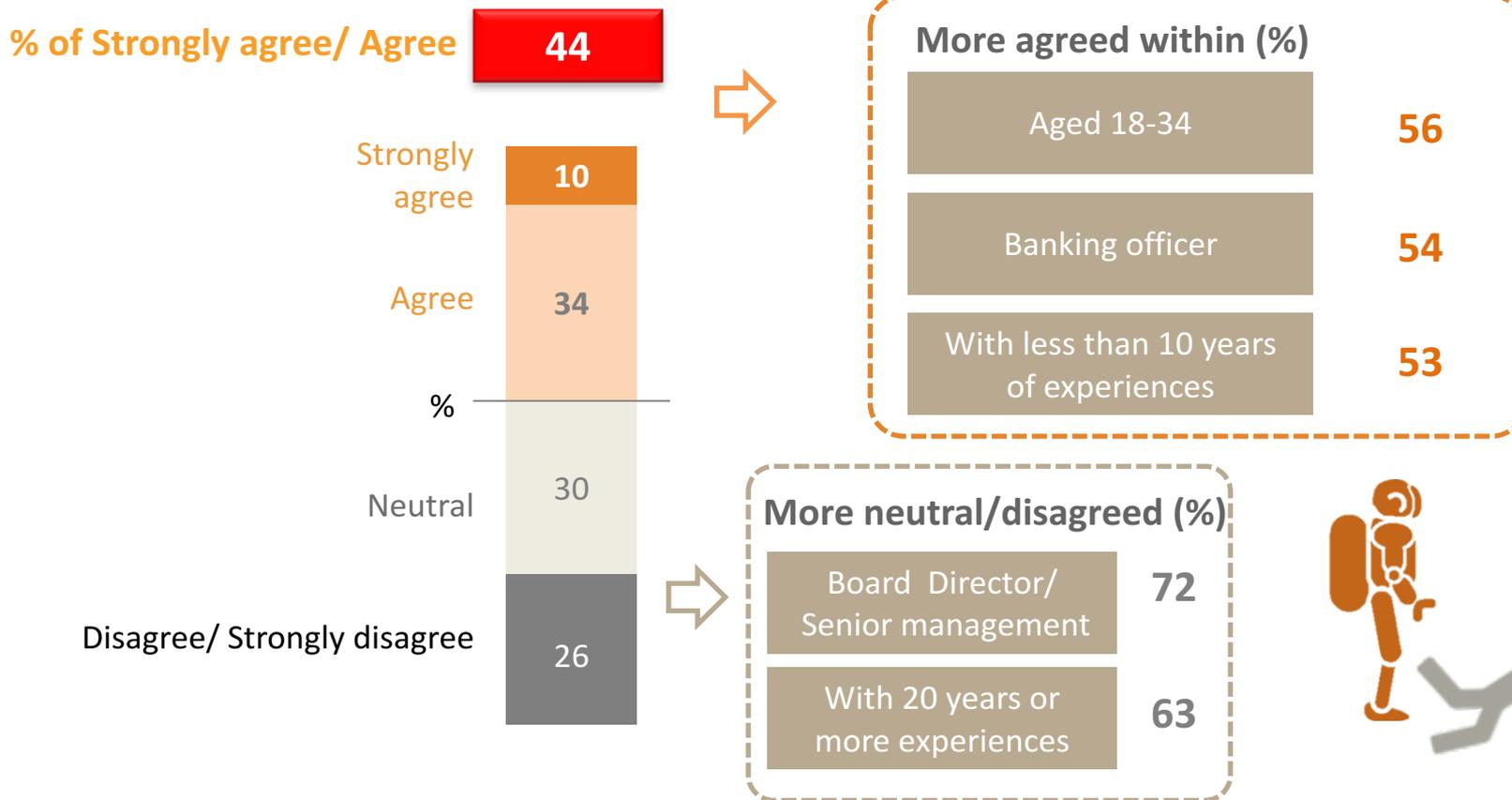
View as a Threat

Customer facing
employees 24%

Banking Officer 22%

Over 40% believe FinTech/automation will replace human roles

Do you agree that FinTech/ automation will replace human roles in the next decade?



73% of those received training view FinTech more as an opportunity

Have you received training on FinTech in the past 12 months? Do you see FinTech as an opportunity or threat?

Received Training on FinTech in Past 12 Months

More of an Opportunity



Neutral

More of a Threat



Yes

73%

15%

4%

Not sure 8%

No

49%

18%

9%

Not sure 24%

Figures in () denote results in 2016

Diving into the Numbers

Part 2



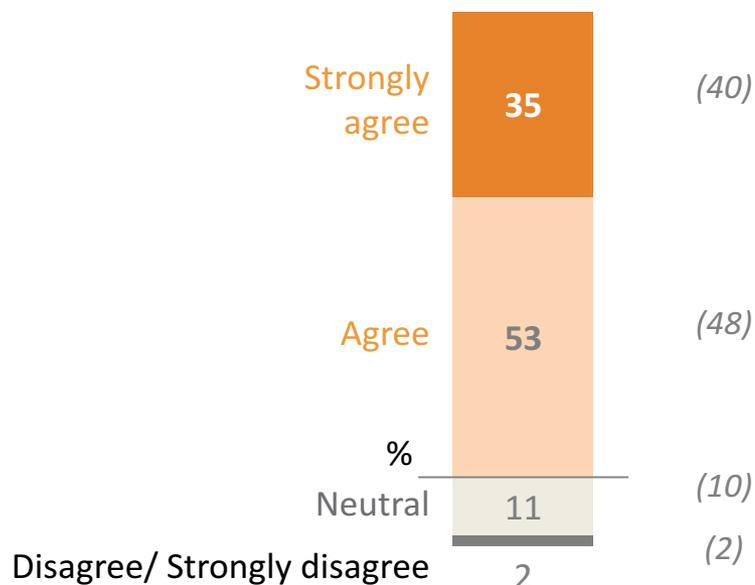
Training Landscape & Demand



Nearly 90% think professional training helps strengthen market trust

Does professional training help strengthen market trust?

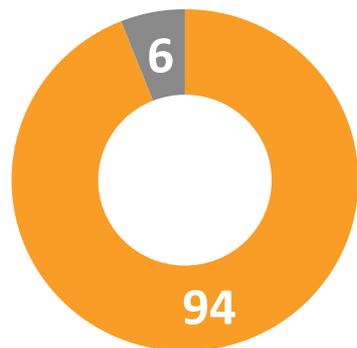
% of Strongly agree/ Agree **88** (88)



Figures in () denote results in 2016

94% find it difficult to evaluate a professional qualification

What is your main challenge in evaluating a particular professional qualification?



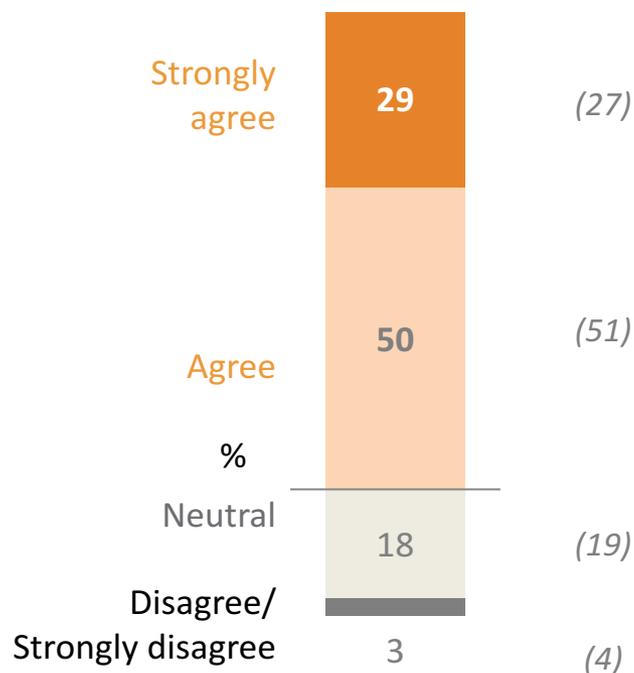
94% of the respondents have difficulty when evaluating a qualification



Almost 80% believe a common benchmark raises professional status

Do you agree that a common qualification benchmark (通用資歷基準) helps to raise practitioners' professional status?

% of Strongly agree/ Agree **79** (78)



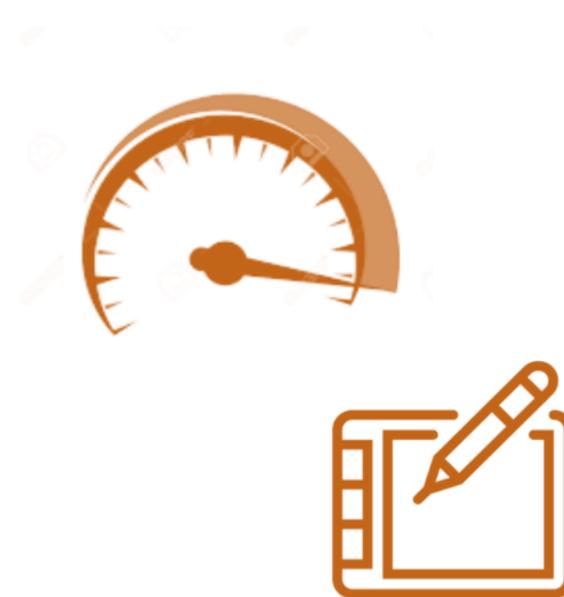
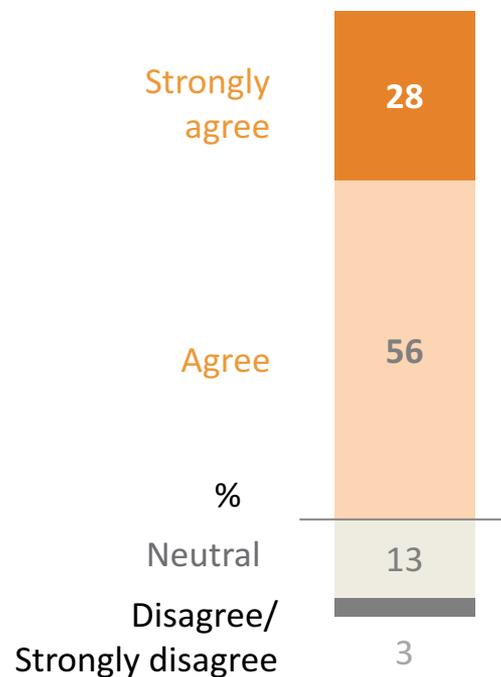
Figures in () denote results in 2016

84% of respondents say the need to streamline training path is necessary

Do you agree there is a need to streamline the professional training path (精簡培訓路徑和安排) for employees?

% of Strongly agree/ Agree

84



Figures in () denote results in 2016

Key factors considered by employees in training selection

What factors would you consider important when deciding to take a training course?

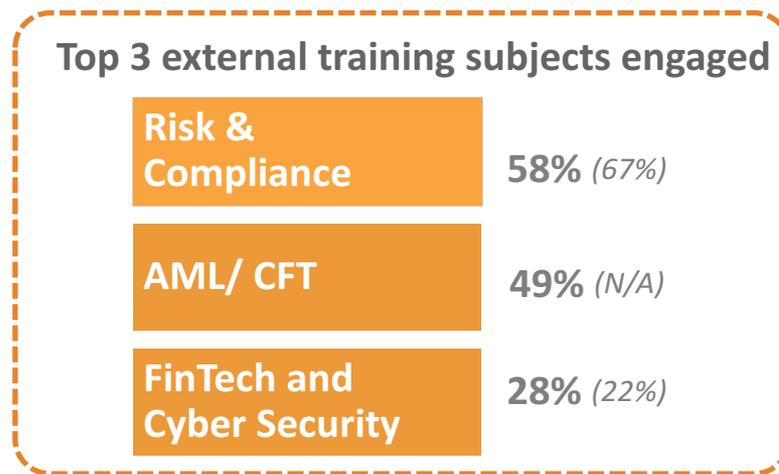
Selection factors (Employees)



Figures in () denote results in 2016

Nearly 60% receive training in Risk and Compliance

Risk & Compliance tops the external training list

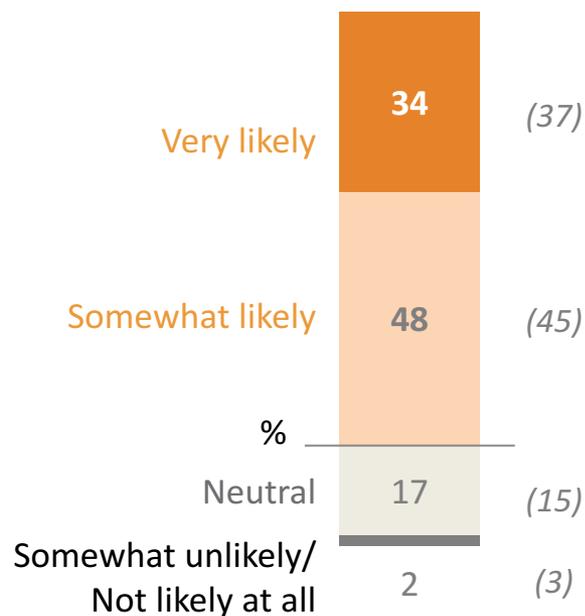


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80% think demand for training is on the rise

Is the Industry demand for training likely to grow?

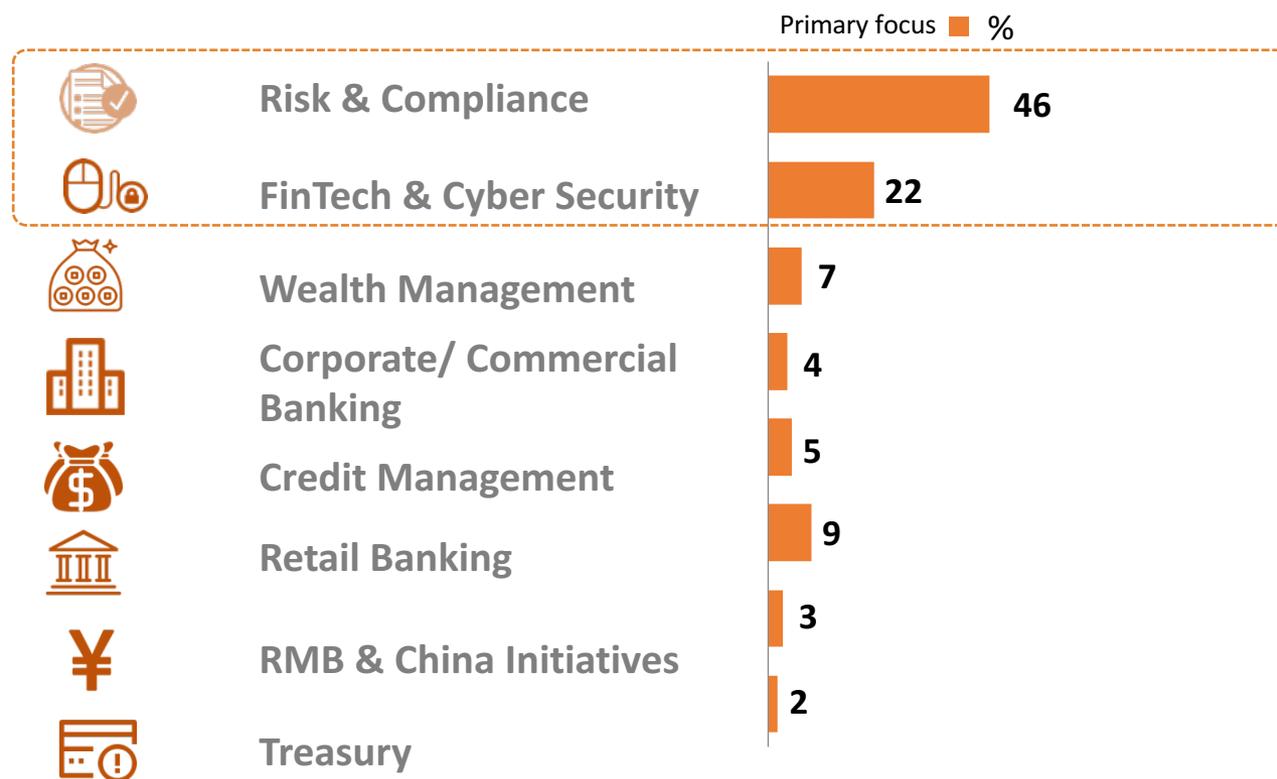
**% of Very likely/
Somewhat likely** **81** (82)



Figures in () denote results in 2016

Training resources: primary focus

Which of the following do you think banks & financial institutions should focus on as far as training resources allocation is concerned?



Key areas of action

Provide more training on FinTech & cyber security

Engage young talent

Streamline professional training path

Develop new skills for future opportunities

Promote common qualification benchmark

