

Talent Development Survey 2019



Message from the CEO

The increasing use of customer-driven, innovative technology coupled by new market entrants, have ushered in an era of unprecedented change for the local banking industry.

Meanwhile, the ongoing development of key regional initiatives such as the Greater Bay Area and Belt and Road are set to offer banks with new growth momentum. To achieve long-term success, apart from reimagining their business models, banks also need a forward-looking and proactive talent strategy to make sure their workforce is well-equipped to meet the changing demands of their roles.

The Hong Kong Institute of Bankers (HKIB) has been a prominent provider of training, professional development and certification services to the local banking community for over five decades. We have conducted the Talent Development Survey for the fourth consecutive year to identify talent development needs, skills gaps and other topical issues pertaining to the capacity building in the banking sector.

Your support is highly valued and will help us devise future strategies and priorities that enhance and sustain professionalism in the local banking industry. Thank you for your interest in this survey and your ongoing support and engagement with us.

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

Research design and approach



Survey approach

Online survey



Fieldwork period

16 July – 19 August 2019
(5 weeks)



Sample size

1,044



Target respondents

- Employees of banks
- Employees of non-bank financial institutions
- Employees of fintech companies or third-party service providers to banks
- Employees of financial regulators
- Employees of professional bodies/institutes
- Academia (including university students)
- Former employees or retiree of banks or any industry body mentioned above

Key areas of the study




Training and development landscape


Fintech development




Opportunities arising from the development of the Greater Bay Area

Key highlights

66% of  respondents think the **skills gap** issue exists in the local banking industry.

Around **70%** believe banks should **reskill or upskill existing staff** to resolve skills gaps and enhance the local talent pool. 

Technological skills, data skills and **cybersecurity** are  considered the areas facing the largest skills shortage both today and in the next five years.

97%  think banking practitioners should develop **fintech capabilities**.

Almost **70%** of  respondents think development in the **Greater Bay Area** will bring **business opportunities to the banking sector** in Hong Kong in the next two to three years.

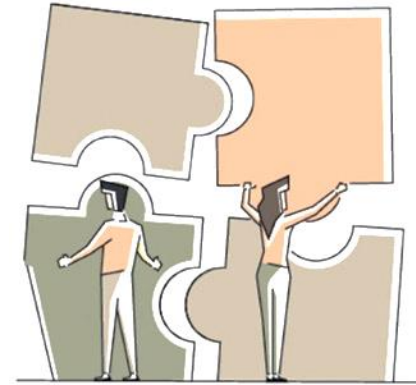
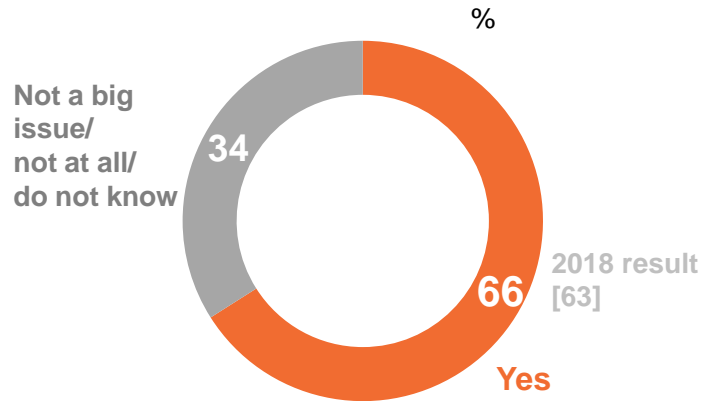
71% agree  **competition will become keen** between virtual banks and traditional banking institutions in the next two to three years.

Training and development landscape



7 out of 10 agrees that skills gap exists

Q: Do you think there is a skills gap in the banking industry today?



Base: All respondents n=1,044

Ref: A5

Where is the skills gap (technical skills)?

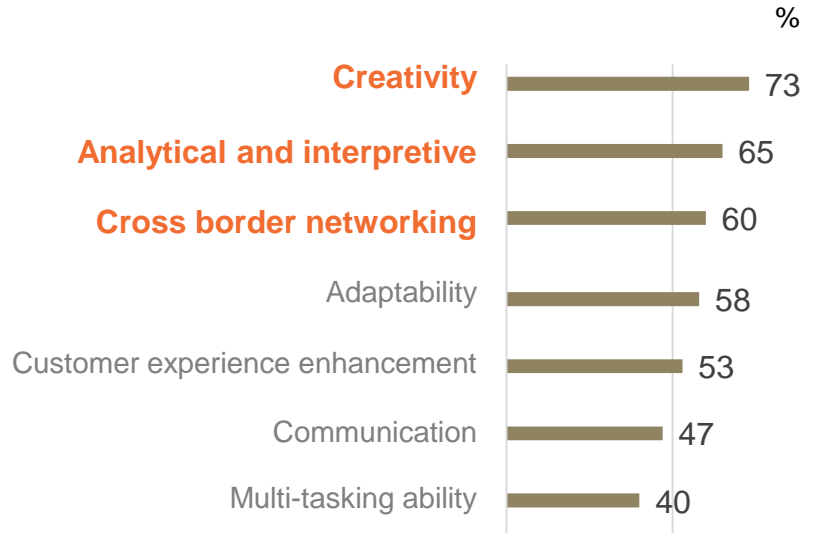
Q: In terms of **technical skills**, in which of the following areas do you see the largest skills gap in the banking industry **today**



Base: Those perceive skill gap issue as serious today n=691
Ref: A6 a-c Mentions less than 5% in awareness are not shown.

Where is the skills gap (soft and generic skills)?

Q: : In terms of **soft and generic skills**, in which of the following areas do you see the largest skills gap in the banking industry **today**?



Base: Those perceive skill gap issue as serious today n=691
Ref: A6 a-c Mentions less than 5% in awareness are not shown.

Expected skills gap in the next five years

Q : Largest skills gap expected in the banking industry in the next five years?

Technical skills

Technological skills	87%
Cybersecurity	80%
Data skills	75%
Business/ Product knowledge	58%

Soft and generic skills

Creativity	73%
Cross border networking skills	63%
Analytical and interpretive skills	63%
Adaptability	58%

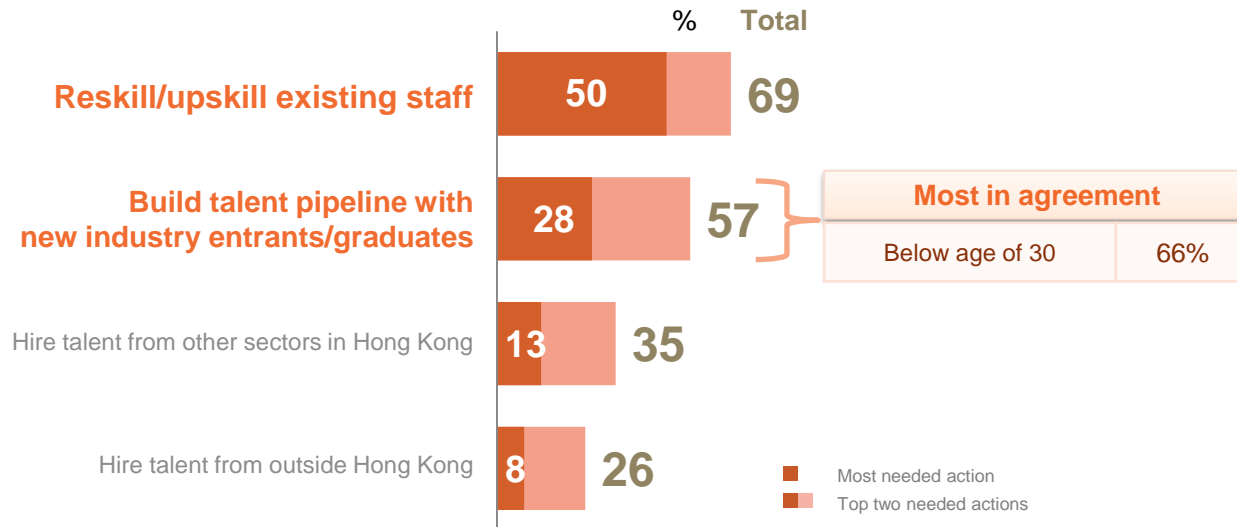


Base: All respondents n=1,044

Ref: A7a-d

Ways to resolve skills gap issue

Q: : Which of the following do you think banks and financial institutions, as employers, need to do to resolve skills gaps and enhance the local talent pool?

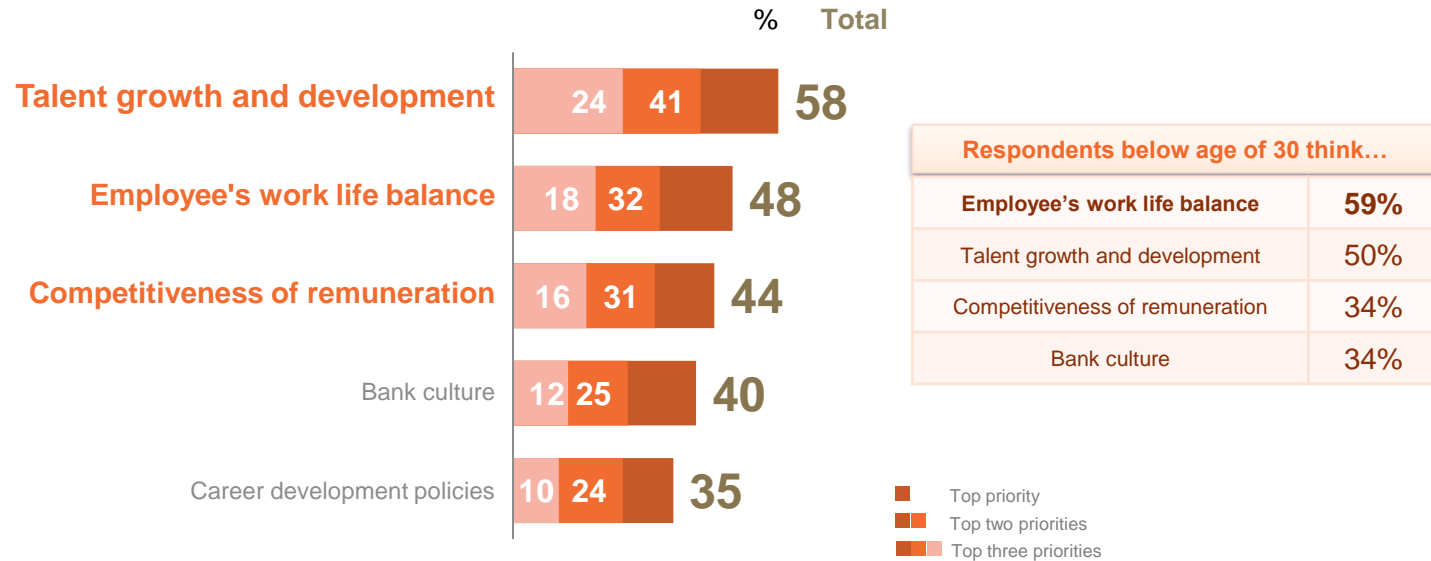


Base: All respondents n=1,044

Ref: A14a-b Mentions less than 38% in top 3 priorities are not shown.

Priorities to retain talent

Q: : Which of the following do you think banks, as employers, should view as priorities when developing their talent retention policies?

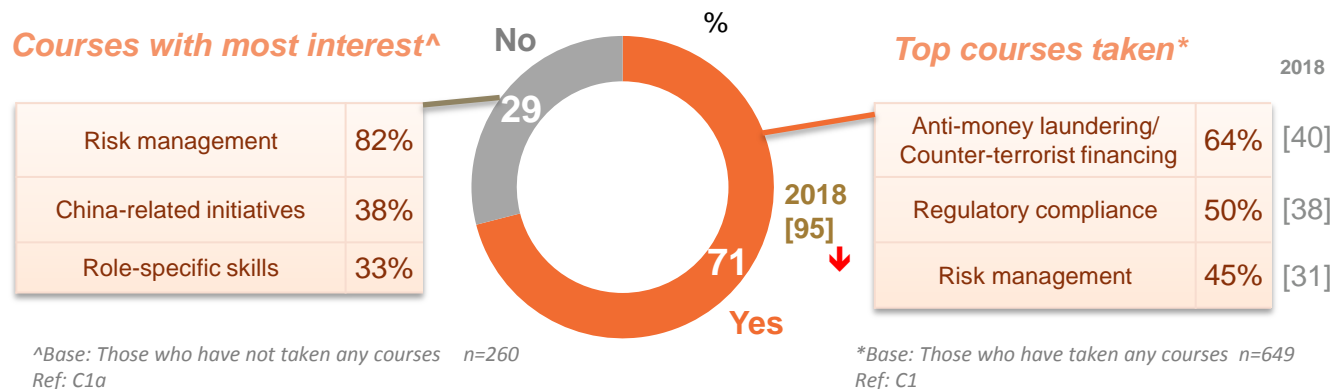


Base: All respondents n=1,044

Ref: A15 Mentions less than 38% in top 3 priorities are not shown.

Training courses of interest VS Training courses taken

Q: Other than Fintech-related ones, have you taken any internal or external training courses over the past 12 months?



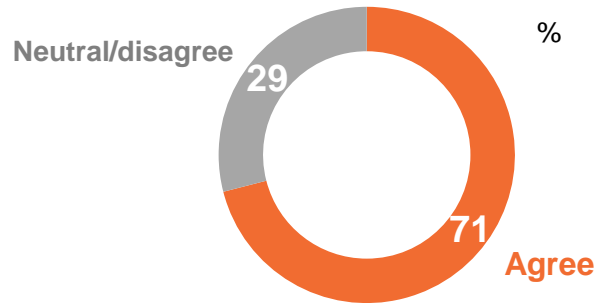
Base: All respondents excluding retirees/banks' board/CEO/senior n=909
 Ref: C1

Fintech development



Competition between traditional banks and virtual banks expected to be keen

Q: Do you agree that competition will become keen between virtual banks and traditional banking institutions in the next two to three years?



Q: What challenges will virtual banks pose for traditional ones*?



Base: All respondents n=1,044
Ref: A3

*Base: Those who agree that competition will become keen n=744
Ref: A3a

Fintech mostly seen as an opportunity, not a threat

Q: Do you think Fintech is more of a threat or an opportunity for the banking industry overall?

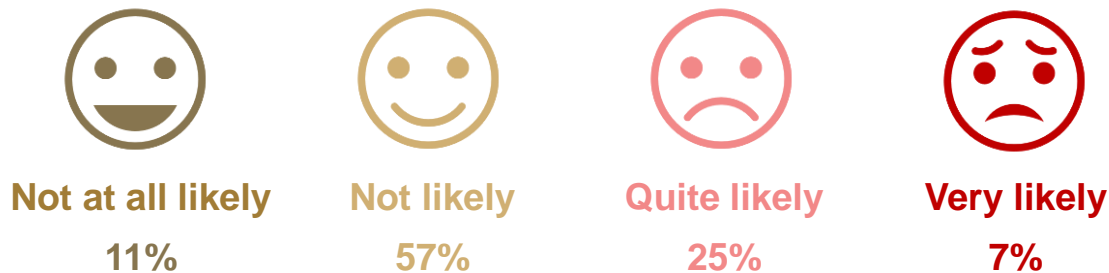


Base: All respondents
Ref: A2

n=1,044

Mixed feelings about Fintech from a job security perspective

Q: How likely do you think your job will be replaced by Fintech within three years?



More inclined to think it will be likely	
Frontline practitioners	38%
Below age of 30%	37%

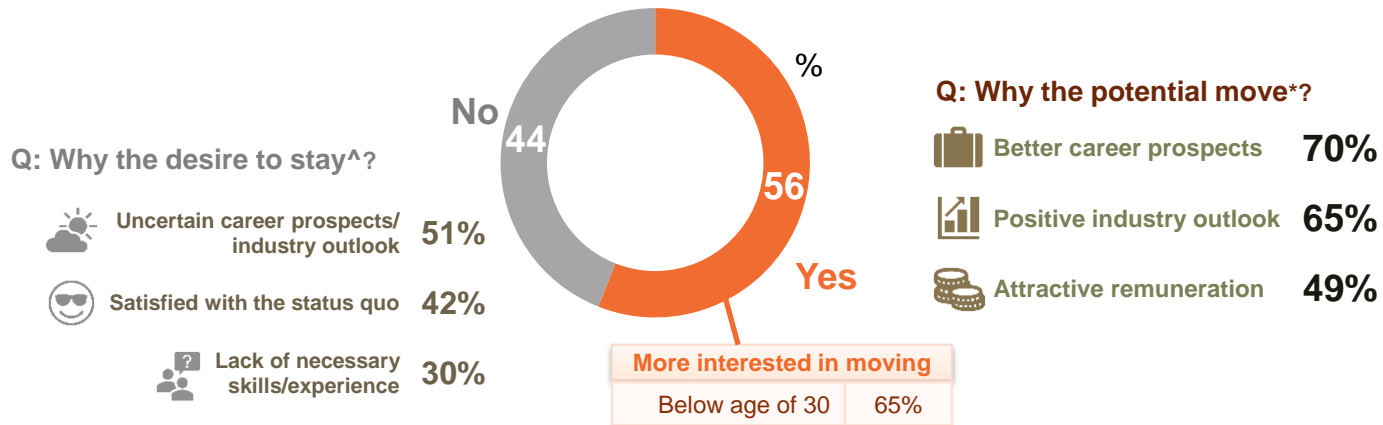


Base: All respondents
Ref: A2

n=1,044

Moving from traditional banks to virtual banks

Q: Would you be interested in changing your job to work for a Fintech company or virtual bank in the next two to three years?



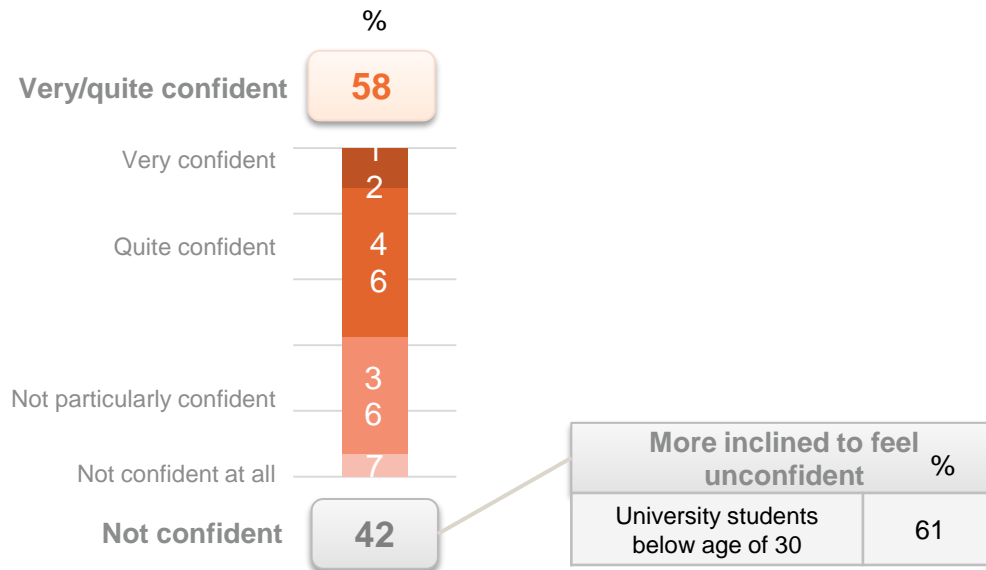
^Base: Those who are NOT interested to move n=404
Ref: A4b

Base: Employees of banks/financial institutions/ financial regulators n=922
Ref: A4

*Base: Those who are interested to move n=518
Ref: A4a

Work with Fintech as a technology: Almost half of respondents feel unconfident

Q: How would you describe your confidence in your skills for working with Fintech as a technology?



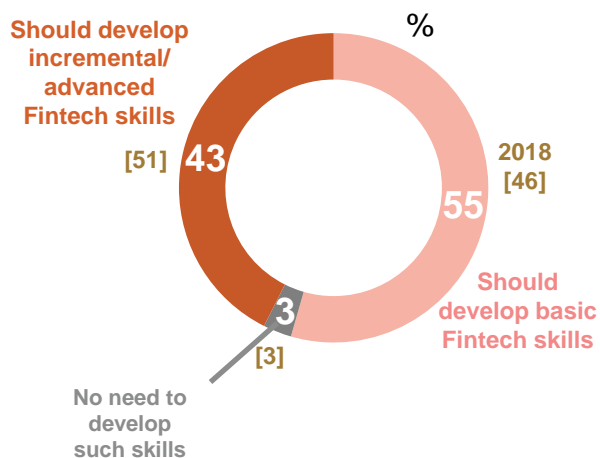
Base: All respondents n=1,044

Ref: A9

Mostly agree:

Banking practitioners needs to develop Fintech skills

Q: Do you think general banking practitioners nowadays should develop their Fintech skills?



98% of respondents believe general banking practitioners should develop Fintech skills.

Q: Why the need*?

-  To improve career prospects as some existing jobs may be eliminated **80%**
-  For self-improvement **69%**
-  To comply with regulatory requirements **49%**

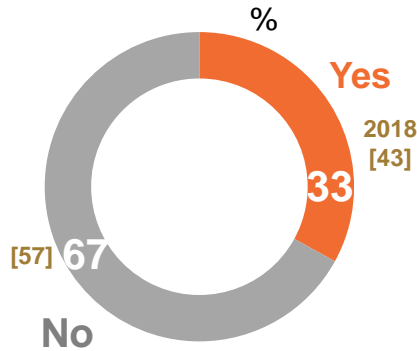
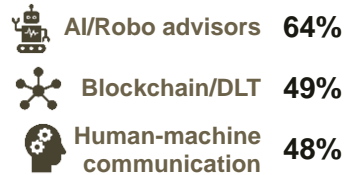
Base: All respondents n=1,044
Ref: A10

*Base: Those who think there is a need n=1016
Ref: A10a

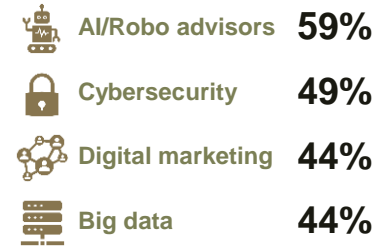
...yet only 33% has taken Fintech courses before

Q: Have you ever taken any internal or external training courses in Fintech?

Q: Which kind of Fintech course would you be interested in?^



Q: Which area did the course you took focused on*?



^Base: Those who have never taken any Fintech courses n=526
Ref: A11b

Base: Employees of banks except board/CEO/senior management n=815
Ref: A11

*Base: Those who have taken Fintech courses n=261
Ref: A11a

The Greater Bay Area



Positive on Greater Bay Area opportunities




Q: Do you think the Greater Bay Area development will bring more business opportunities to the banking industry in Hong Kong in the next two to three years?



Almost **70%** think the GBA development will bring opportunities to the Hong Kong banking sector in near future



Q: In what areas do you think banks in Hong Kong will benefit the most?

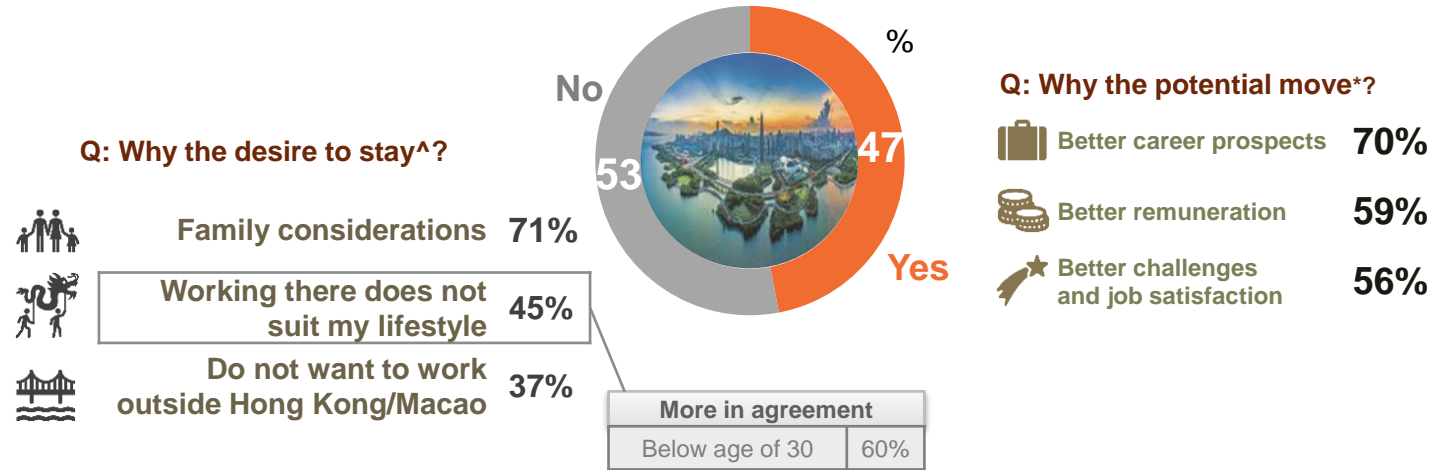
 Wealth management	71%
 Asset management	56%
 Insurance	53%

Base: All respondents
Ref: B1

n=1,044

Interest in working in a mainland city in GBA

Q: Would you be interested in working in a Greater Bay Area city other than Hong Kong or Macao for a job or career advancement opportunity in the next two to three years?



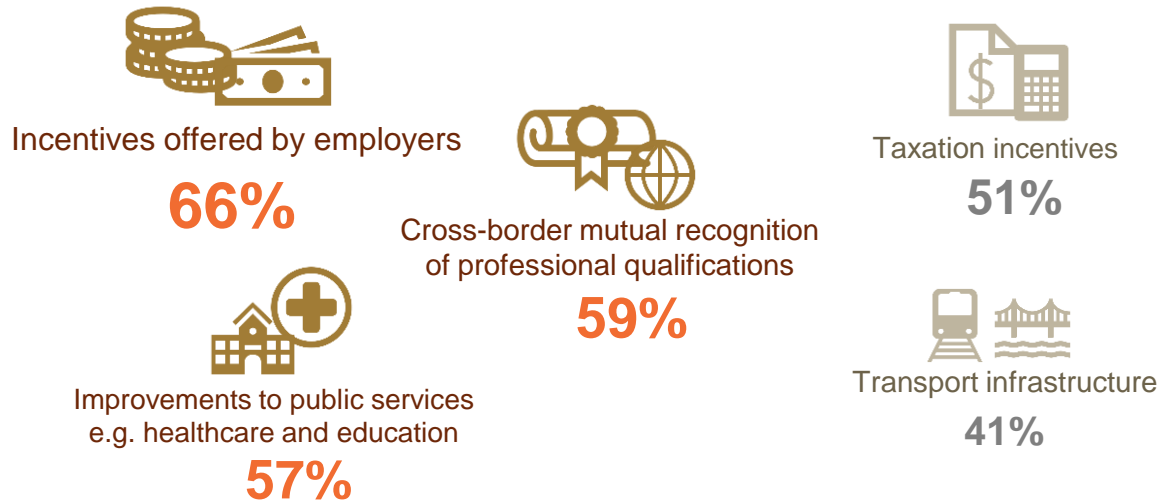
[^]Base: Those who are NOT interested to move
n=540 Ref: B2c

Base: All respondents except retirees n=1,016
Ref: B2

^{*}Base: Those who are interested to move n=476
Ref: B2b

Talent mobility: Incentives & cross-border recognition of qualifications are vital

Q: As the Greater Bay Area covers cities with different systems, what measures will encourage the flow of financial talent within the region?

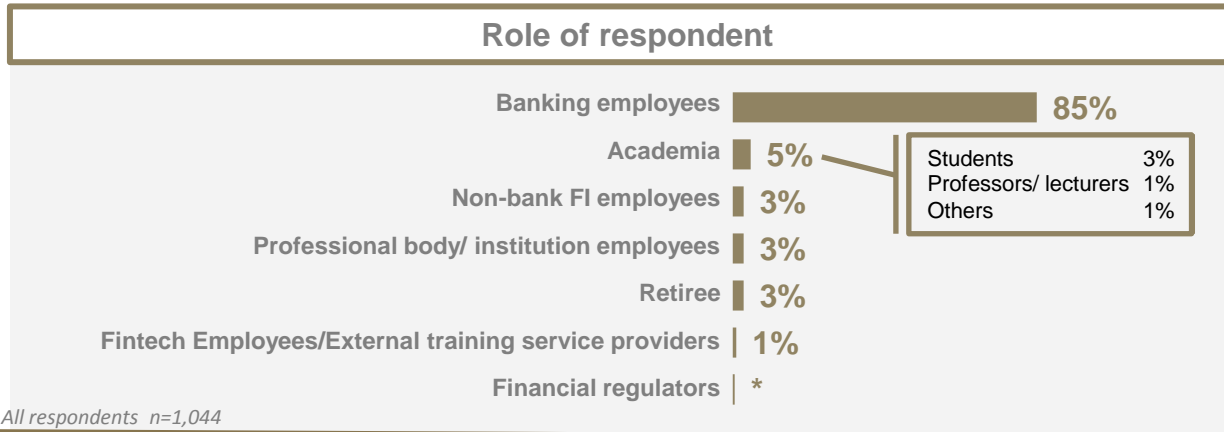
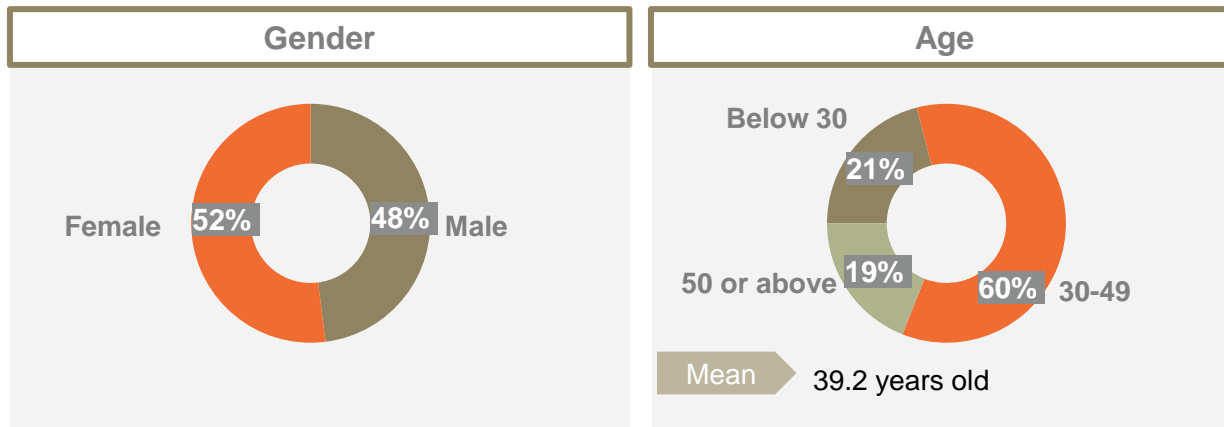


Base: All respondents n=1,044

Ref: B3

Appendix

Respondent profile I



Base: All respondents n=1,044

Respondent profile II

