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Swiss bank's missing ingredient in attracting future employees

Times are difficult, and keep getting worse

When asked for which company they would like to work, business students in Switzerland ranked UBS and Credit Suisse in places 2 and 4 in 2018. Not the financial crisis, not the unfavorable media coverage, not even Christian Bale and Brad Pitt in *The Big Short* put a dent in the reputation and prestige of Swiss banks as attractive employers.



When strategy and culture clash, culture wins

When you speak with actual bank employees, the views are divided. On one hand, times are difficult, and keep getting worse for a long time now. Repeated negative media coverage burdens the moral. Fraud cases, job losses, plummeting share prices and misconduct law suits scatter the banking news headlines. *"Credit Suisse Is Setting Its Sights on a New Generation of Wealthy Australians"* writes [Bloomberg](#) on 20 Dec 2018. Does it sound like a legitimate business opportunity, or does it sound unfavorably greedy? Perks, from coffee machines to conference facilities, keep shrinking. Advanced technologies replace staff in ever-increasing pace and put the future of entire job-families at risk. Add the onslaught of outsourcing, and you might lose any illusion you've had of job security.

On the other hand, banks as employers seem to do a lot of things right. In the fierce war for talent, Swiss banks have increased their [average salary](#) by 8.5% from 2009 to 2017, trailing the soaring salaries in the IT and Pharma industries. Bonuses hiked 13% up during the same time, regardless of business results. Banks offer not only competitive compensation, but also extensive training and development, in particular for the high and broad skills required for the sector's ongoing digital transformation. I'll come back to this point shortly. Banks also invest substantial effort in refreshing office spaces and offering a more creative, colorful workplace. So what is missing?

Let's take for example the prevailing distinct hierarchy. In every conversation and every relationship between bank employees, it is clear who is VP, who is a Director and who is a Managing Director. It must be clear, because the formal power of higher hierarchy levels makes it is risky for people to speak up, to voice unpopular opinions, or to admit a mistake. Mistakes carry consequences. At the same time, employees are expected to be creative and innovative. Do you notice the clash? Creativity requires a safe environment that allows anyone to speak their

mind and play with crazy ideas. The corporate culture of hierarchy and risk avoidance stands in conflict with the business need for creativity.

Distinct hierarchy and traditional organization structures inevitably create silos. At the same time the organization's success depends on efficient inter-disciplinary processes and collaboration. Do you see another clash?

In order for employees to thrive, the corporate culture must support its business goals. Because when strategy and culture clash, culture wins. Let's take another example: Profitability and growth are dominant on the vision statement of many banks. Disney wants to make people happy; Google wants to organize the world's information. Coca Cola wants to refresh the world; Tesla wants to accelerate the advent of sustainable transport. Such visions guide their employees in everything they do, maybe even give them the reason to go to work every morning. What do banks want? More and more people expect their employer to provide a clear and meaningful purpose at work. Fewer and fewer people settle for 'more money' as their job's sole purpose.

Back to the digital transformation. In a digital and agile business model, tomorrow's bankers require a broader skill set, both technical and inter-personal, as well as digital affinity. Banks already compete today for the scarce talent in the labor market, shoulder to shoulder against tech and Fintech companies, which offer not only the highest salaries in the market but also the corporate culture that allows everybody to be at their best. If banks want to keep up, as attractive employers, they must act now and shake off any outdated culture. The good news: a corporate culture is not force majeure. It is in our hands. When it aligns with the corporate strategy, everybody wins.

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Who we are

TALOS is continuously striving to shape new standards in management consulting. As a specialized consulting boutique of Swiss origin, we are serving the European financial services industry from our local offices in Zurich and Luxembourg.

Founded by experienced management consultants in 2008, we have grown since then to a renowned consulting company with a complementary service offering across various disciplines.

With our tailored hands-on approach, we accompany our clients in mastering the fundamental challenges the industry is facing.

We are a trusted partner for our clients helping them to increase their organizational effectiveness and operational efficiency.

We strive to be recognized as one of the leading management consulting boutiques for the European financial services industry.

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