

A Summary of the Study: “Occupational Development Options for Banking Industry Professionals”



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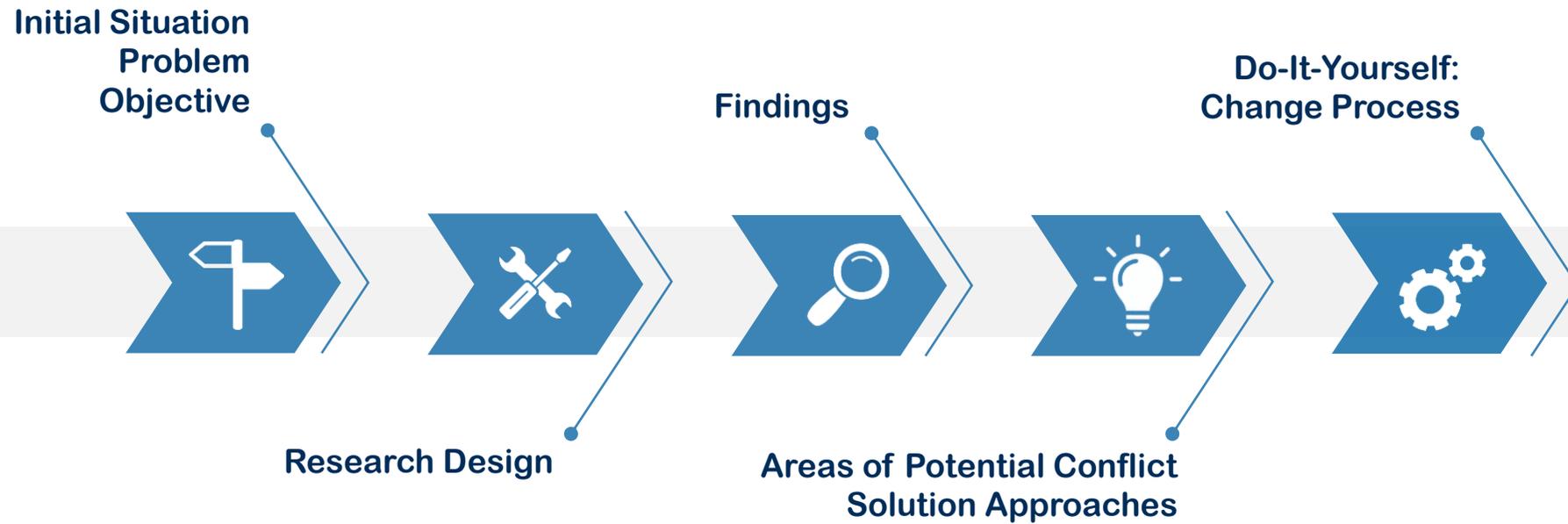


An interdisciplinary study by the Department of Banking, Finance, Insurance and the Section for Organization Development and Consulting on behalf of the Zurich Banking Association.

References can be found in the original study.

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Study Overview



Initial Situation, Problem, Objective

- Banks and employees are undergoing a comprehensive **transition process**.
- Employees are driving the changes but are also affected by them.
- The study focuses on **professionals** (employees aged between 40 and 50).
- It examines the **specific challenges** that the transition to the future banking world poses to the occupational development of professionals.
- The study develops **practical solutions** (measures and instruments) to meet the challenges faced by professionals and to use their resources built up over many years as potential for the future.

Initial Situation
Problem
Objective



Research Design



Findings



Areas of Potential Conflict
Solution Approaches

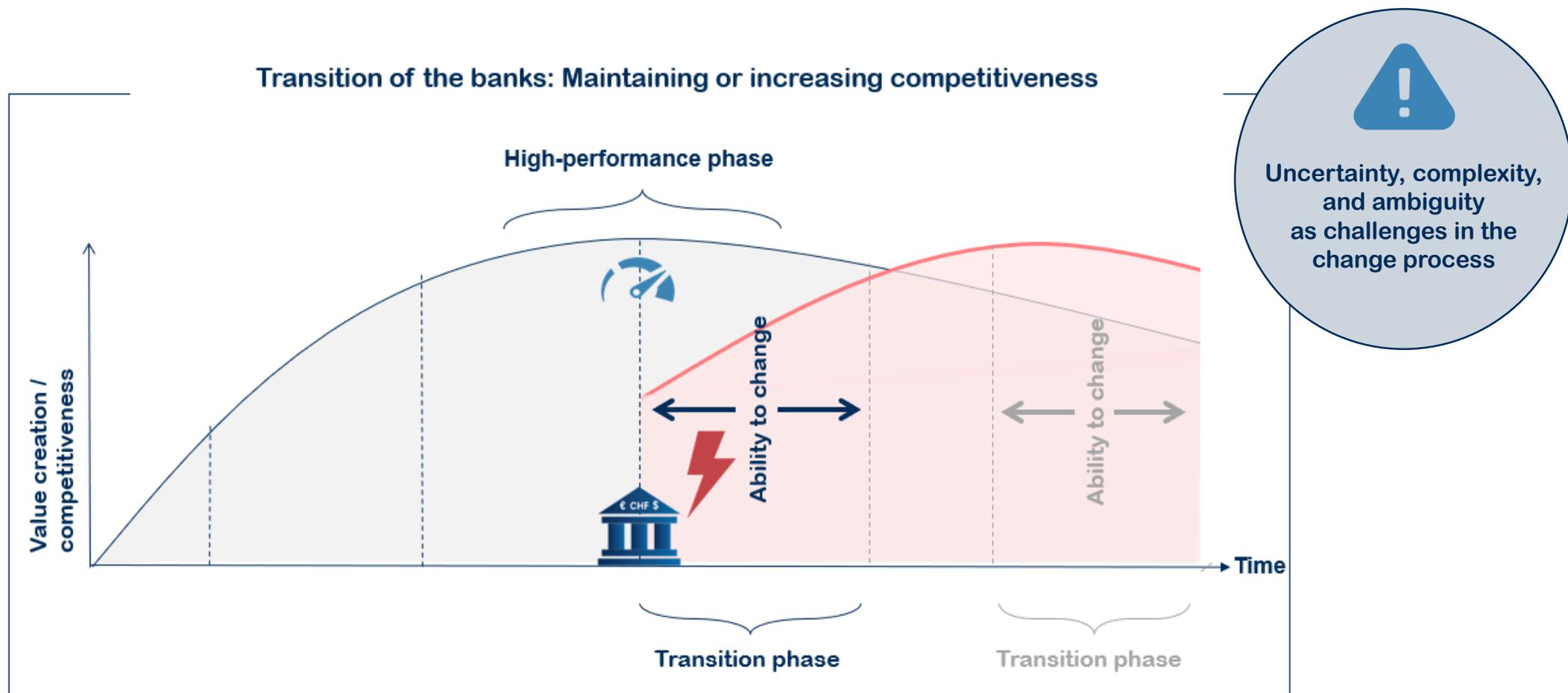


Do-It-Yourself:
Change Process



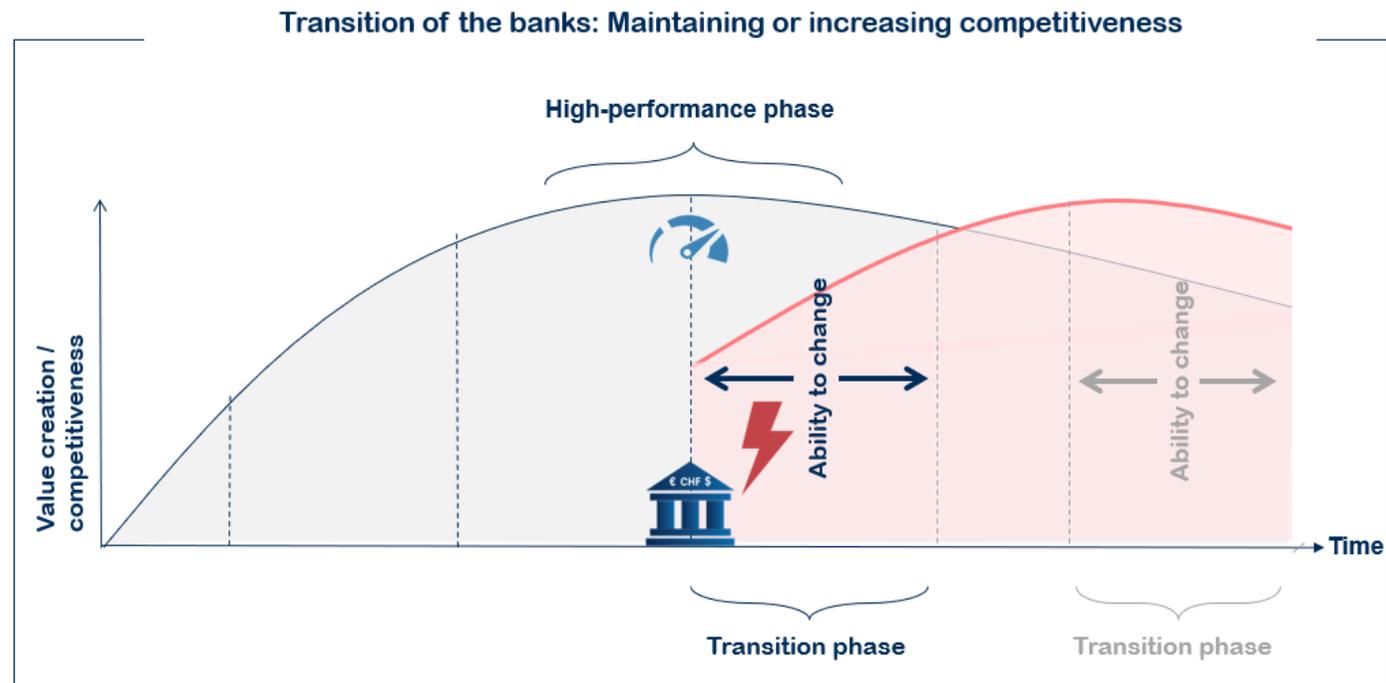
Initial Situation

The Swiss banking center and individual banks face the challenge of maintaining their competitive position and high level of value creation within the context of social, technological, economic, and regulatory changes. They are being challenged to develop further their previously successful business models in such a way as to meet the requirements of the future.



Problem

Employees are central to the transition process that is taking place. They drive the changes forward but are also affected by them. They are faced with the personal challenge of shaping their occupational development in such a way that they can successfully master their individual transition from the existing banking world to the future banking world while remaining capable of performance, change, and employability.



Objective and Focus

This study examines what the ongoing process of change in the financial industry means specifically to employees who are 40 - 50 years old, i.e., in the middle of their careers, and have around 15 to 25 years of professional life ahead of them. In particular, the study analyzes how professionals can develop or renew the resources they have built up over many years, so that these are also applicable in a future banking world.

The focus of this study is on the perspective of the banks and their employees. Alternative possible perspectives such as economic and social developments are not the focus of this study.



Research Design

Initial Situation
Problem
Objective



Research Design

Findings



Potential Areas of Conflict
Solution Approaches

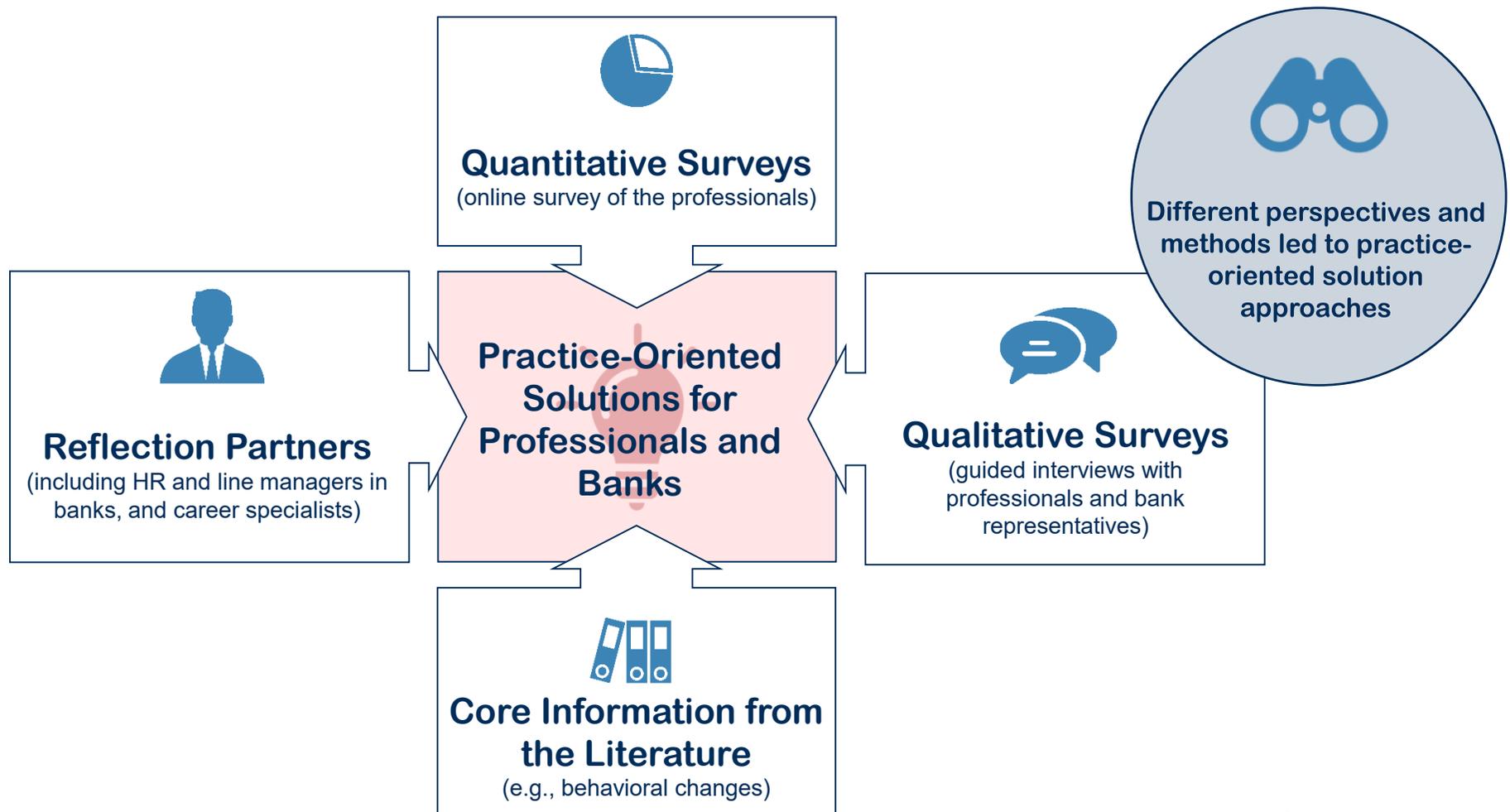
Do-It-Yourself:
Change Process



- **Combination** of different **research methods** (in particular, a qualitative investigation which has been augmented with a quantitative survey) and **perspectives**.

Research Design

The knowledge acquired is obtained through a combination of different research methods (qualitative and quantitative) and perspectives (bank representatives, career experts, and professionals). Based on the systematic acquisition of knowledge and core information from the literature, this study draws together suitable approaches (measures and tools) relevant to the challenges of professional occupational development.



Core Information from the Literature and an Overview of Theoretical Concepts

- This study is based on various **foundations from the literature** on professional development and change processes.
- The explanations correspond to an overview of essential theoretical concepts and are **not a scientific literature analysis** in the proper sense.
- Professionals are important **key players** for the banks.
- Training activities are **generously subsidized** by the banks.

Initial Situation
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Solution Approaches



Do-It-Yourself:
Change Process



Basics I: Transition of Career Models

Increasingly, responsibility for occupational development is being transferred from the company to the individual employee. A traditional career path, however, has been based on a stable, predictable career environment and a linear organizational hierarchy.

Aspect	Traditional Careers	Post-Organizational Careers
Default situation	Organizational connectedness	Professional commitment
Individual feels committed to the...	Organization	Profession
Success criteria	Visible, objective career success (including position and status)	Subjective career success (including subjective job satisfaction)
Criteria for career advancement	Duration of employment, performance	Performance, qualifications, or particular skills

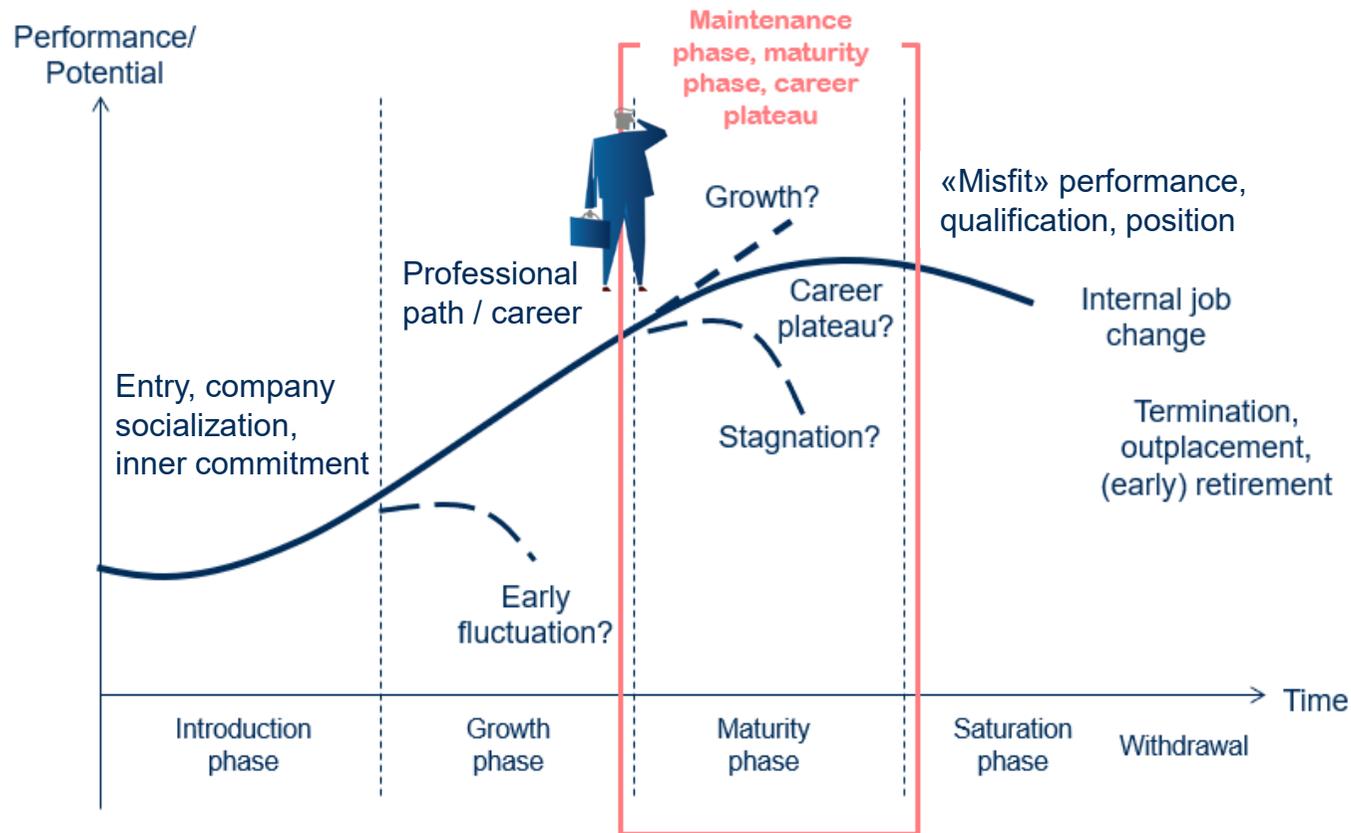


Professional careers will increasingly match the characteristics of post-organizational careers.

Basics II: Career Phases and Life Cycle

Professionals are in a phase of occupational maturity, where the focus is on maintaining the career path they have chosen. This phase is also characterized by the achievement of a so-called “career plateau.” At this point, the question arises how further career development can be shaped and how the ability to perform and change can be further maintained.

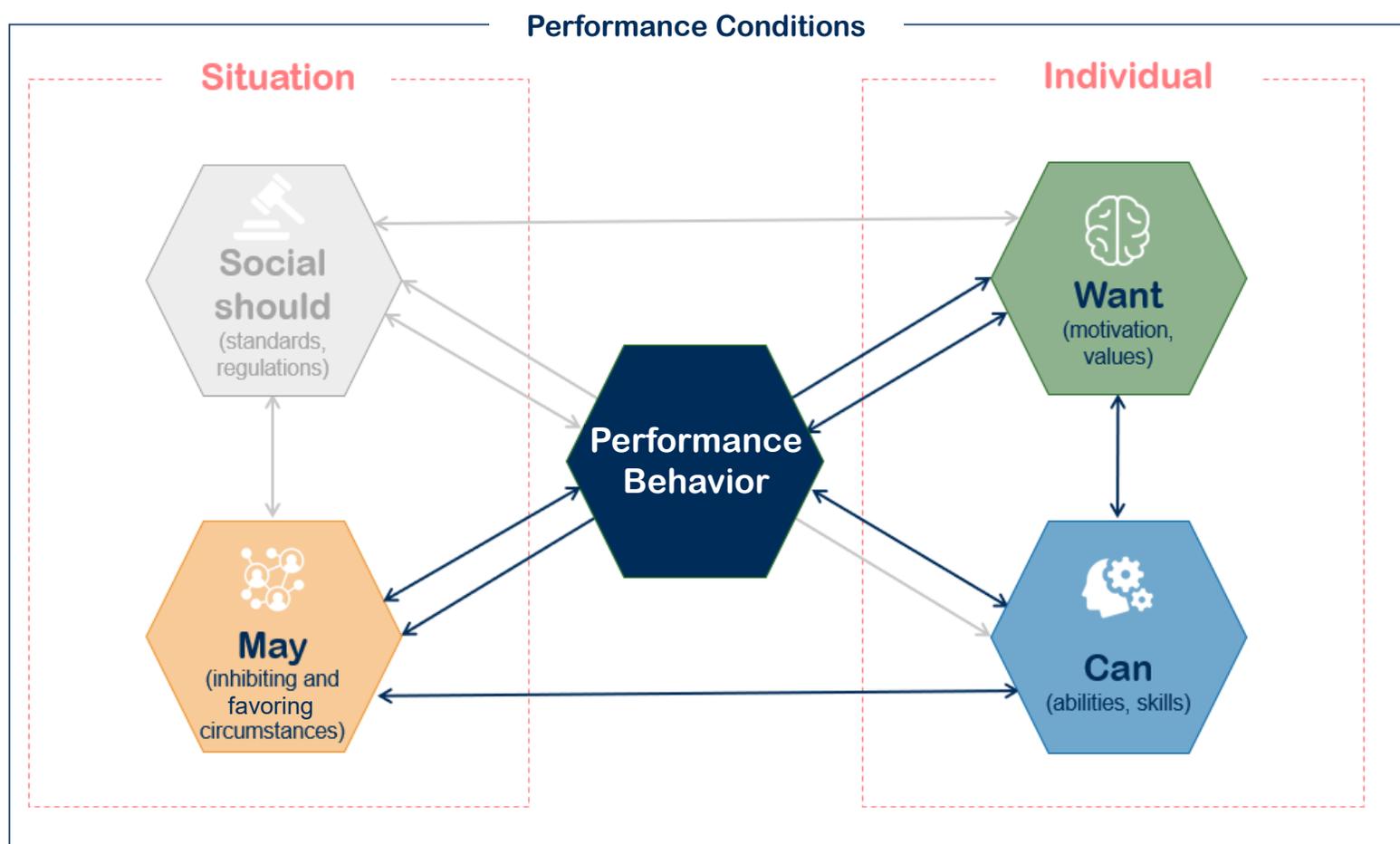
Phases of the operational life cycle according to Graf (2008)



Professionals are in the maturity phase of their careers. Here, they strive to maintain what they have achieved.

Basics III: Performance and Behavioral Change

The model below describes the conditions for maintaining performance in the context of change processes. The performance or behavioral change in employees depends on the conditions of the individual (“want” and “can”) as well as on the conditions of the situation (“may” or situational facilitation and “social should”). The performance result is zero if one dimension has a zero value. This study focuses on the dimensions of “want,” “can,” and “may.”




The solution approaches take the dimensions of “want,” “can,” and “may” into account. Employees or banks can directly influence these.

Selection of Findings from Surveys

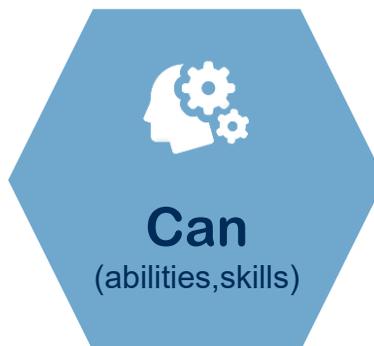


Professional Perspective

- Professionals want to **safeguard what has been achieved**, remain **ambitious**, and strive towards challenging career goals.
- They are **aware** of the upcoming changes in the banking world and are willing to change.

- Development activities focus on (mainly internal) **training activities**, but the practical **benefits** of these activities are **viewed critically**. Other development tools are seldom used.

- Professionals are aware that they bear the **main responsibility** for their **own professional development**. Nevertheless, they would like more support from the banks.



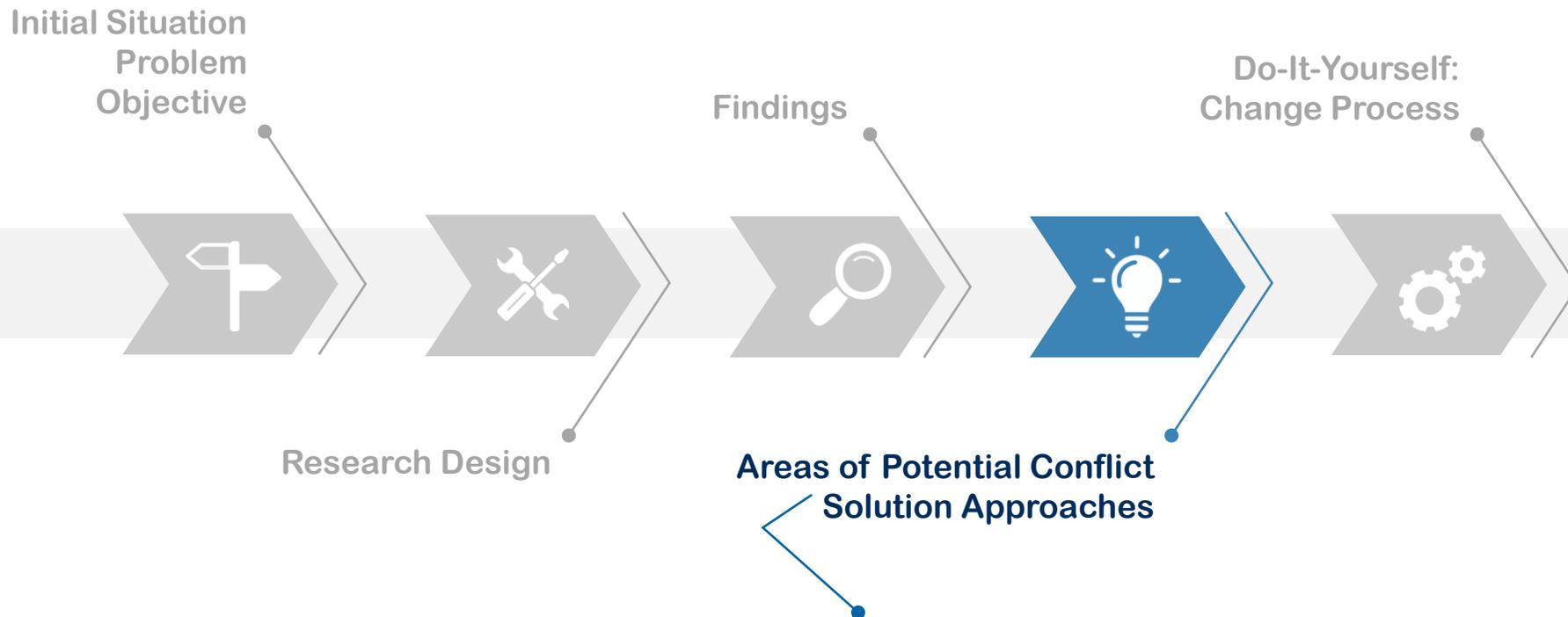
Bank Perspective

- Professionals are important **key players**.
- Banks want both **flexibility** (“change the bank”) and **stability** (“run the bank”) from their professionals.

- Ongoing training is also at the heart of development activities for banks. The range of courses on offer is broad and is **generously subsidized**. However, there are only a few courses specific to professionals.
- Further training is considered a **“collectable debt.”**

- Careers at banks are characterized by **hierarchical** function structures. A successful career is measured in terms of position and remuneration.
- Banks expect professionals to take **more responsibility** for their careers.

Areas of Potential Conflict and Solution Approaches



- **Areas of potential conflict** were defined on the basis of the qualitative and quantitative findings and literature. They highlight discrepancies between the actual situation and the desired ability to perform and adapt.
- Superordinate topics have emerged as well as issues directly related to the **dimensions of “want,” “can,” and “may.”**
- **Solution approaches** have been devised on the basis of these areas of potential conflict.

Superordinate I

Areas of potential conflict:

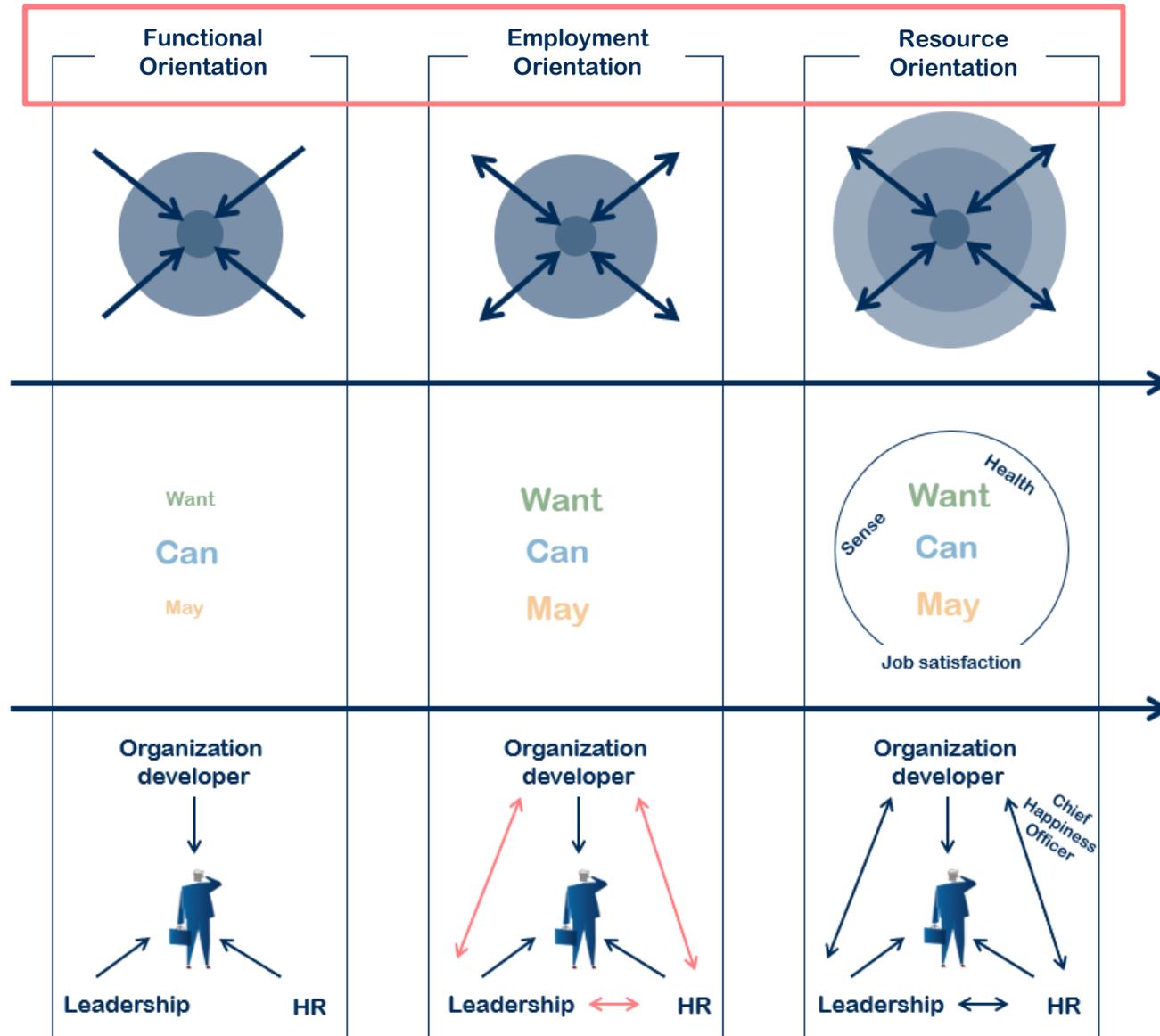
Transition vs. maintenance phase

Professionals are in the maturity phase of their careers and safeguarding what they have achieved. However, transition in the banking world requires professionals to be capable of change so that their performance can be maintained in the future. Professionals will be challenged to review critically the skills they have built up and to shape their careers within a dynamic but much less structured environment.

Solution approach:

From function to employment and resource orientation

To make the best possible use of employee performance potential over the entire career life span, the employability of staff must be fostered. This requires an employment- and resource-oriented HR strategy.



Superordinate II

Areas of potential conflict:

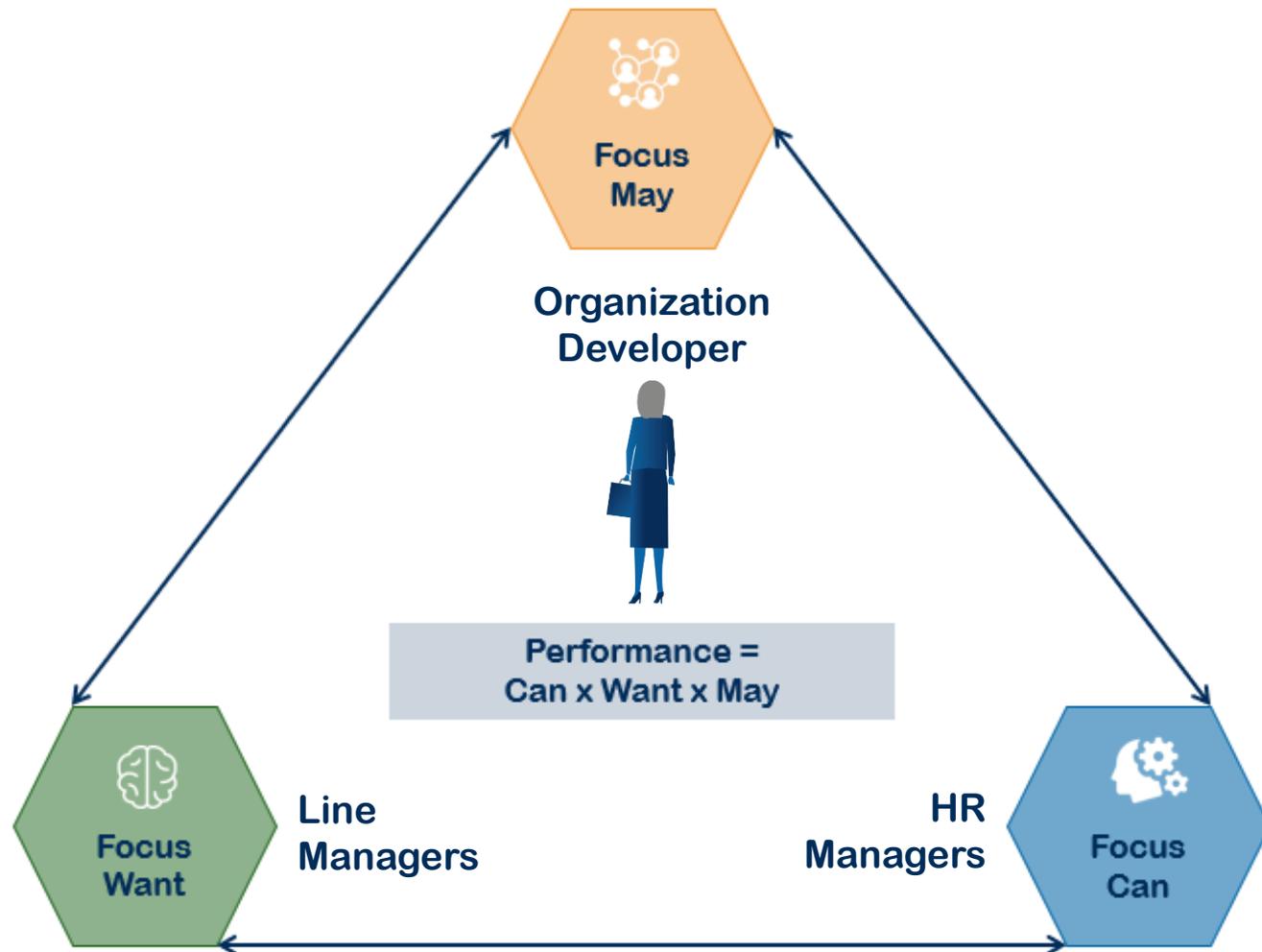
Performance is more than just ability

To maintain or increase the ability to change and perform, the three dimensions of “want,” “can,” and “may” must be considered together. Without “want,” “can” is not activated - and without “may,” “can” is not applicable (“can” x “want” x “may” = ability to change and perform).

Solution approach:

Expanding the understanding of change and performance ability

Occupational development measures must not only focus on the “can” of employees but must also integrate the dimensions “want” and “may” for the best possible fostering of change and performance ability. Cross-functional cooperation is necessary to integrate the dimensions “want,” “can,” and “may.”



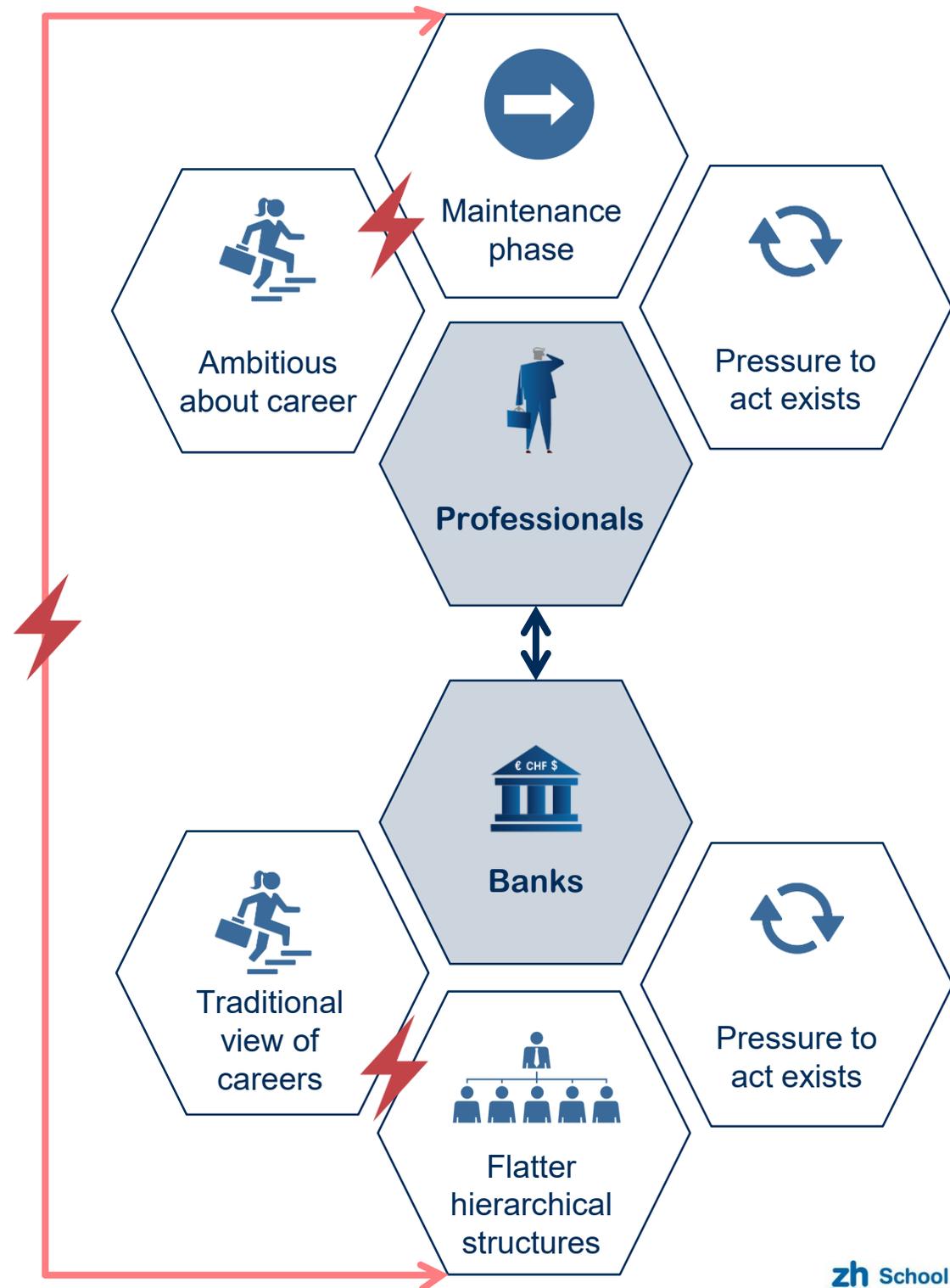
Superordinate III

Areas of potential conflict: Despite an awareness, specific action is lacking

Even though it is clear that the banking world is going to change fundamentally, professionals are doing little to prepare for the demands of the future.

Solution approach: Understanding the obstacles to progress - demanding and promoting action

To ensure there is not only an awareness of the need to prepare but that specific measures are taken, banks and professionals must understand the background to any obstacles to progress more precisely - and define suitable measures to reduce these obstacles.



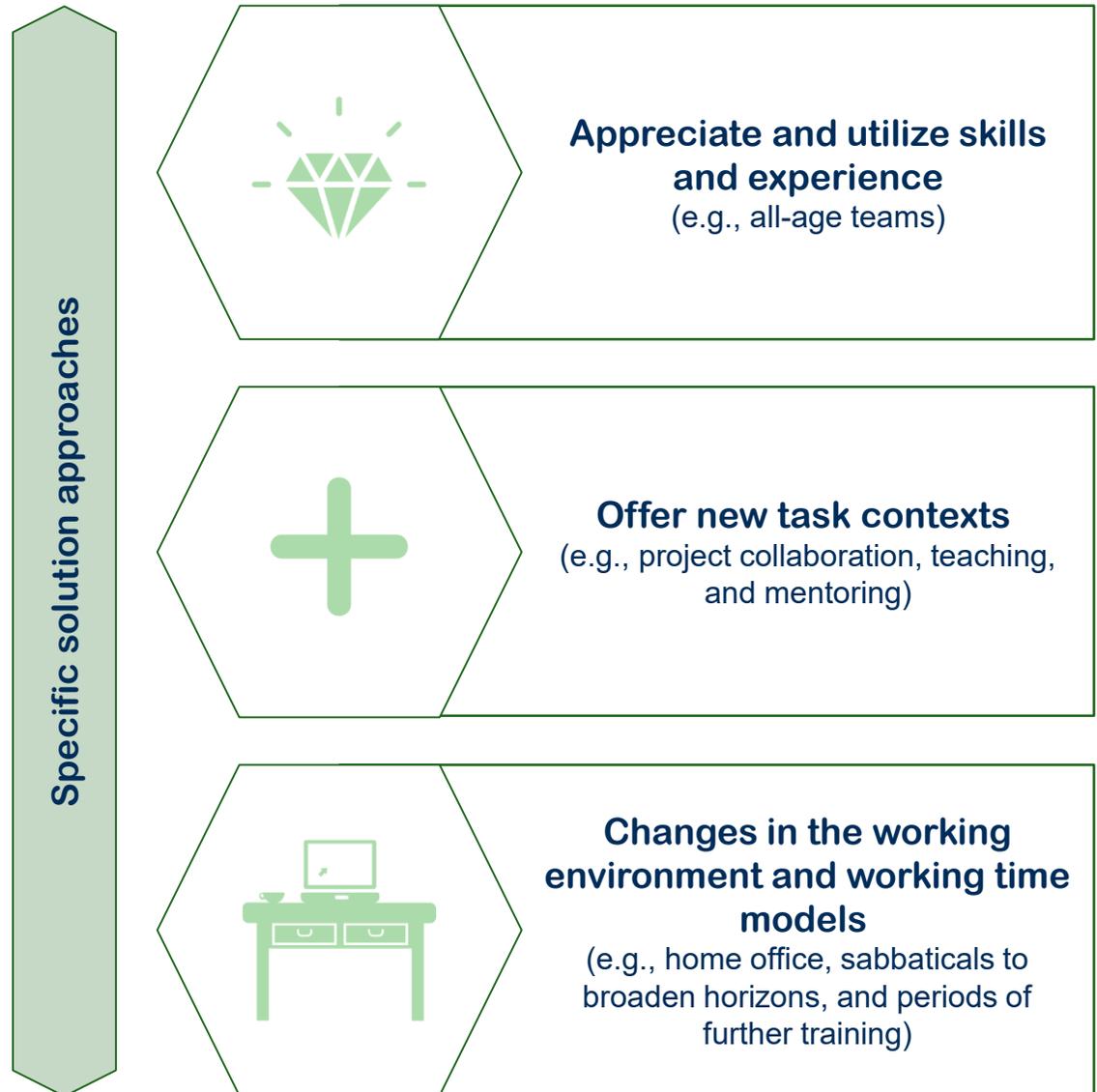
Want I

Areas of potential conflict: Simultaneous demand for stability and flexibility

Professionals are key players in the existing banking business and find personal confirmation within it. In addition, they have usually reached a career plateau, which means that the potential for further promotion is small. The material and immaterial incentives to develop actively in respect of the future banking world are, therefore, also low.

Solution approach: Creating incentives for professional development while on the career plateau

Previous incentives - such as hierarchical advancement and remuneration - cease to apply when professionals have reached their personal career plateau. New perspectives must be introduced to maintain and induce a desire to change and perform.



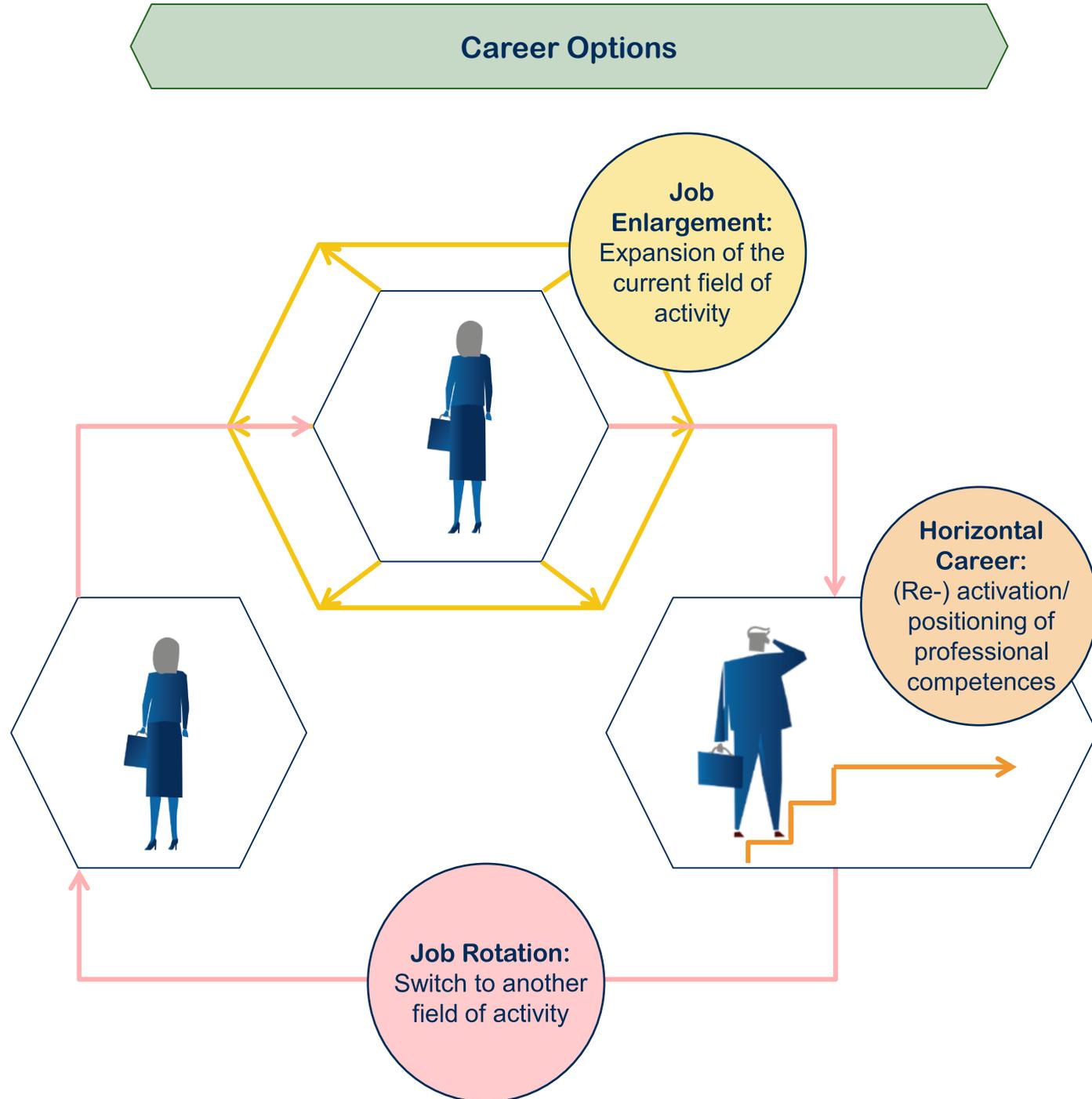
Want II

Areas of potential conflict: “Straight or up” - maintaining or improving status

Traditional careers in banks are based on hierarchical advancement, position, and salary; career success is often defined by these factors. However, flatter hierarchical structures are already a reality in the banking industry. As a result, banks will no longer be able to offer the same career paths they used to.

Solution approach: Rethink and redefine career paths and content

In the context of flattening hierarchical structures and reduced potential for career development (based solely on hierarchical advancement and remuneration), other attractive career concepts must be developed and introduced into common practice.



Want III

Areas of potential conflict: Experience and other strengths are important - but not exploited

Broad experience, know-how combined with practical experience, knowledge of the bank and the banking system, as well as the ability to keep a cool head are all important qualities in a banking professional. However, these are not explicitly defined so are only perceived as an implicit resource.

Solution approach: Operationalize and actively utilize experience and other typical strengths

If the particular strengths of professionals are made apparent, teams with a range of different skills can be actively assembled. Professionals can safeguard against possible future age discrimination by actively contributing to demographic diversity in the workplace.



Specific Solution Tool: All-Age Teams



Brief Details

To enable the employer to benefit from every individual skill (e.g., the experience of older professionals coupled with the spontaneity of younger professionals), the creation of all-age teams is recommended.



Practical Case Study

Companies such as ABB, Siemens (Switzerland), and Swiss Post rely on all-age teams to take advantage of the knowledge of the more experienced employees in the company.

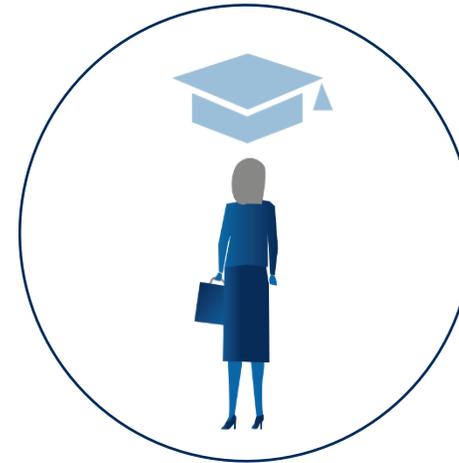
Can I

Areas of potential conflict: Employee development programs with a focus on young professionals rather than professionals in general

A lack of focus on the development of professionals in general and the under-use and/or lack of critical evaluation of further training programs can lead to negative interaction. Although generously subsidized by the banks, too little use is made of the opportunities offered. To maintain their performance levels, professionals need to take specific action.

Solution approach: Lifecycle-oriented employee strategy and more commitment

Life-cycle oriented occupational development is based on the specific needs and challenges associated with the maturity of a career. Older professionals have different needs and challenges both at work and at home.



Specific Solution Tool: Adult Training



Brief Details

Learning behavior changes as people grow older. In adulthood, knowledge acquisition focuses on content that can be linked to existing knowledge. Newly acquired knowledge needs to be applicable (practical relevance).



Practical Case Study

One showcase project comes from AXA: a virtual career assistant answers individual questions on further training opportunities that match the skills profile of particular employees, thereby creating the basis for lifelong and age-appropriate learning.

Can II

Areas of potential conflict: Support is available - but there is no clear strategy

To ensure that training leads to a win-win outcome, a direct link to the bank's strategy and the individual career strategy of the professional is needed.

Solution approach: More effective development measures by determining the current situation

Regular, institutionalized assessments of the current situation enable professionals to examine their potential, their professional and personal goals, and their overall professional development - and to take effective measures. Self-management skills as well as the ability to change and perform are supported, and banks can deploy their professionals with greater flexibility.



Solution Tool for the Current Situation



Self-Evaluation (e.g., Skillaware)

Skillaware is a nationwide campaign for the self-evaluation of 16 basic skills for banking specialists. An online test provides a self-evaluation as the basis for further assessment.



Career Guidance (e.g., ZHAW IAP)

In career counselling, specialists offer support in reorientation, career planning, and self-marketing. The goal is to take an independent and active approach to shaping your own career.

Can III

Areas of potential conflict: The narrow focus of development tools

A strong focus on internal and external training as the central tool for development means that the potential of other development tools is not fully exploited.

Solution approach: Expanding the range of development tools

Structured development measures “on the job” can be a good complement to occupational development away from the desk. In particular, these tools meet the needs of professionals who require a high level of practical relevance in their career development and who, in addition to professional and personal commitments, cannot afford to be away from the office for extended periods.



Solution Tool: Knowledge Tandem / Reverse Mentoring



Brief Details

In reverse mentoring, it is not general work experience that is required from a mentor but knowledge of a very specific subject area.



Practical Case Study

Companies such as Lufthansa and Allianz already practice reverse mentoring successfully. While Lufthansa also sends its knowledge base abroad in search of new ideas, reverse mentoring is part of the internal training program at Allianz.

May I

Areas of potential conflict: Uncertainty inhibits progress

Everyone is aware that change is coming. However, there is uncertainty about the specific consequences of these changes, especially for the individual banking professional. Since the banks cannot provide clear guidance, professionals remain where they are and take no action.

Solution approach: Creating more clarity in change

Employees must be actively involved in the change process. An active and transparent communication strategy is vital.

Specific solution approaches



Actively countering uncertainty
(e.g., an active and transparent communication strategy)



Rethinking the organizational environment
(e.g., alternative career models)



Rules of responsibility
(e.g., promoting self-leadership skills)

May II

Areas of potential conflict : Established career path models prevent change

The potential for further promotion and salary increases is reduced when reaching the career plateaus and by flattening hierarchical structures. The question is how the framework conditions should be designed so that incentives for the ongoing occupational development of professionals are maintained.

Approach: Saying goodbye to old paradigms and orienting oneself towards alternative career models

Specialist and project careers paths represent alternative concepts to management careers. It needs to be established the extent to which these career concepts can enrich management development so that professionals can continue to have interesting and challenging jobs. To this end, alternative career path models with equally valid concepts need to be introduced and recognized by banks.

Specific solution approaches



Extending existing career structures
(e.g., establishing multi-directional career paths)



Cultural changes and new incentive structures
(e.g., redefining the meaning of career success)



Practical example: Function not rank
Thurgauer Kantonalbank decided to abolish all its internal ranks. The abolition of this hierarchical structure is part of the continuous development of its corporate and management culture, which places team thinking at the center.

May III

Areas of potential conflict: Career responsibility is not clearly defined

There is clearly a misunderstanding between banks and their employees regarding the distribution and extent of responsibility.

Solution approach: Promoting self-management skills and redefining the psychological contract

If banks want to give employees more responsibility for their occupational development, then self-management skills must be addressed more directly by development tools, and the existing psychological contract between banks and their employees must be redefined.



Specific Solution: Renewing the Psychological Contract



Brief Details

A psychological contract is a social exchange and contains unexpressed, mutual expectations between employer and employee, which are either inadequately addressed or not listed at all in the employment contract.



In the Past:
A Job for Life



In the Future:
???

Do-It-Yourself: Change Process

- To implement the **self-directed, individual change process**, a specific tool was designed as part of the project.

Initial Situation
Problem
Objective



Research Design



Findings



Areas of Potential Conflict
Solution Approaches



Do-It-Yourself:
Change Process



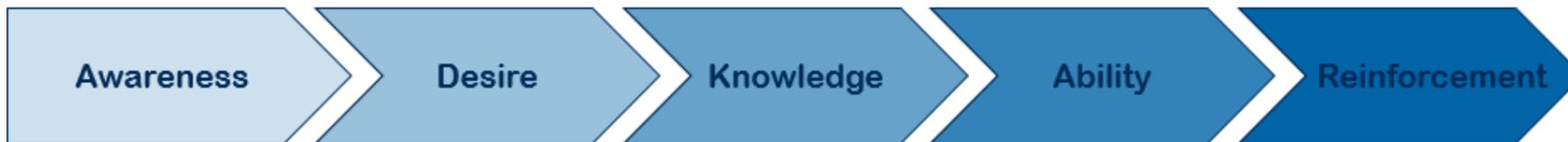
Change Process as a Valuable Tool

The change process for professionals is complex and cannot be dealt with in a simple sequence. Nevertheless, it is still necessary for professionals to have certain safety barriers. To go through a process of change successfully, professionals must also be aware of where they stand within the process and where the possible control levers are located. The following simplified process flow/framework aims to help professionals better understand and assess their current situation and to put into practice the proposed changes they have set themselves.

Ableitung des ADKAR-Modells auf individuellen Veränderungsprozess



Change process from the perspective of banks (ADKAR model)



Change process from the perspective of professionals



Change Process: Do-It-Yourself!

How the change process can be specifically implemented is discussed using the following questions during the process. These serve as an **orientation aid for professionals** who want to address their occupational development in a structured way. At this point, it is also advisable that the self-evaluations, possible solutions, and implementation options being worked on are subjected to a reality check at regular intervals. Implementation of the changes envisaged will only be possible if they are considered in the context of the respective individual's circumstances (e.g., the possible effects of financial restrictions).

	Awareness	<ul style="list-style-type: none"> - Do I see challenges to safeguarding my professional future? - Do I perceive a change in requirements? - I am not satisfied. How can I change this? - Has something altered in my personal/professional world that requires a change on my part?
	Situation analysis	<ul style="list-style-type: none"> - How would I describe my situation? - How have I analyzed situations up to now? - How open am I to alternative analytical tools? - How do I acquire analytical tools that are useful to me? - Can I do this on my own? - Do I understand the findings of these tools? - Do I realize that I have choices?
	Target variant search	<ul style="list-style-type: none"> - What options can I envisage? - What methods, means, and information are available when searching for options? - Are the options within or external to the current context? - Are there other options? - What other goals are important to me (income, status, etc.)?
	Implementation search	<ul style="list-style-type: none"> - What financial and time expenditure does this implementation require? - Where will the implementation take place (previous/another environment)? - What are the opportunities and risks? - What do I trust myself to do? What fears do I have? - What challenges do I expect to face with the options presented?
	Implementation	<ul style="list-style-type: none"> - How do I stay motivated during the implementation? - How do I recognize if I have lost my way or that my situation has changed? - What signs and indications are there that the implementation is going well? - Who can I ask for feedback to ensure that the implementation is as successful as possible?
	Control/ Evaluation	<ul style="list-style-type: none"> - What was the goal at the beginning and where am I now? - Has it been worthwhile? - What opportunities are there following implementation? - What did I learn about myself and others during this time? - What must I pay attention to in the future and what would I do differently? - How do I feel now?

Personal Examples

How possible challenges can be solved is illustrated here using five case studies.

Further information about the individuals and their occupational development (change process) can be found in the study.



Luca - the reliable social type

Challenge: His passivity (lack of action)

Occupational Development: New expert skills in the team and expansion of working brief through specialist training

Brian - the power-seeking networker

Challenge: Career plateau; security from customer book

Occupational Development : Increased involvement in projects through project work and further training



Nicole - the strategic fighter

Challenge: “Glass ceiling”

Occupational Development: Searched for and found a new employer through a combination of self-analysis, headhunters, and networking

Daniel - the sociable team player

Challenge: His passivity towards further training

Occupational Development: Change in working brief by actively shaping his current role (e.g., job crafting)



Eva - the loyal all-rounder

Challenge: Career plateau through motherhood; passivity

Occupational Development: Active as a practical coach in a workshop and internal training

Unleash Your Potential and That of Your Bank!



Unleash your own potential
You are the service provider of the bank - do not hide away.



Let your employees unleash their potential
Reappraise or rethink your organization.



“It takes two to tango”

Harmonize incentives and motivation – whether in terms of further training or structures, etc. This is the only way to create win-win situations.

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