

# EMPLOYMENT IN BANKS



- ▶ Is the banking sector an important employer?
  
- ▶ How is recruitment changing?
  - ▶ What share of jobs go to young people and women?
  
- ▶ What are the promising careers?
  - ▶ What challenges does the sector face?



# BANKING, A LEADING EMPLOYER

## A dynamic player in the job market

The French banking sector is a major player in the job market.

**44,000**

HIRINGS IN 2019

Source: FBF (1)



It is one of the leading private sector employers in France. **The 360,000 people** working in banks member of the Fédération bancaire française (FBF), make up **1.8% of all private sector salaried staff in France**(1).

Total headcount has been slightly declining since 2011 (less than 1% annually), an evolution however lower than that of the workforce in the euro zone down of 1.16% (ECB - 2019).

(1) The FBF scope includes all companies in the banking sector: retail banks belonging to the Association Française des Banques (AFB) and also cooperative and mutual banks.

## Sustainable jobs

The sector offers long-term jobs: **near 7 out of 10 hirings are on permanent contracts in banks**. More than 98% of bank employees have a permanent contract of employment.

## NEW HIRINGS BY TYPE OF CONTRACT (in %)

Source: AFB(2)



(2) The AFB is the professional body representing retail banks in their social dimension. Figures on AFB scope.

## Increasingly highly qualified jobs

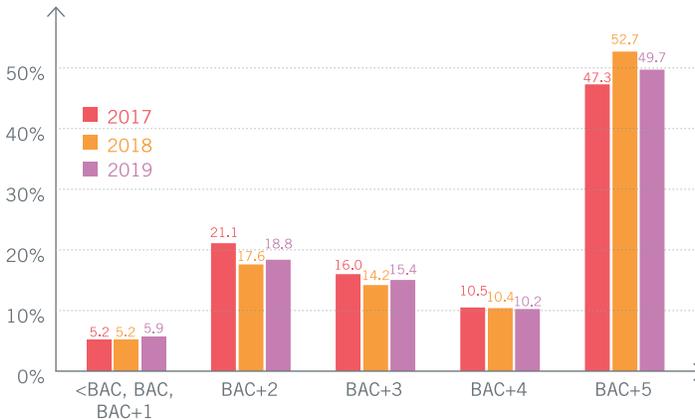
Jobs in the sector are **increasingly highly qualified**. Young people with post-grad qualifications (Bac +4 /5) account for more than half of new recruits (60% in 2019).

This reflects the trend in the banking industry towards more specialised careers and was largely due to hirings of candidates with 5 years' higher education studies (Bac +5), up from 44.3% in 2016 to 49.7% in 2019.

Also, **two-thirds of those hired** were managerial grade: 64% in 2019 (+11 points since 2012).

## PERMANENT HIRINGS BY QUALIFICATIONS (in %)

Source: AFB



## A majority of young people under 30 years of age hired

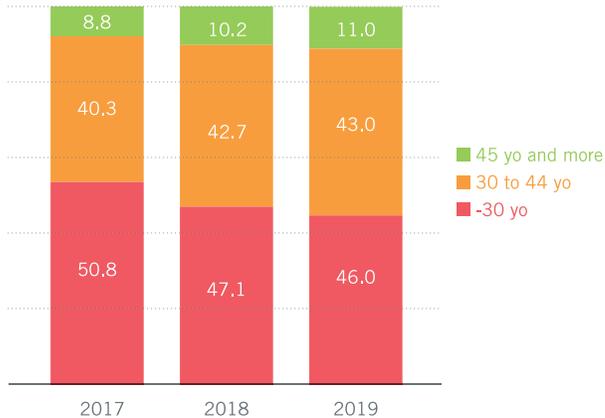
Young people under the age of 30 continue to dominate in most career paths recruiting new staff. The customer relationship jobs for retail clients (reception officer, account manager, asset advisor) are often entry-level jobs for those starting out on a banking

career. Other careers such as IT and compliance roles demand **profiles with greater experience** and these have been recruiting more heavily in recent years.

In 2019, employees under 30 made up 46% of new recruits. At the same time, the gradual rise in the average age at hiring is confirmed: 32.6 years in 2019 (+1 year since 2014).

### PERMANENT HIRINGS BY AGE (%)

Source: AFB



## More women in managerial roles

Women already make up a high proportion of the banking workforce: **more than one in two bankers is a woman.**

**57% of staff in banking** (stable figure since 2012) **and 48.6% of managers are women** (+4 points since 2012). To put this in proportion, women make up 48.3% of the total active population in France and 41.3% of managerial grade professionals (Insee, the French National Institute for Statistics and Economic Studies - Job survey 2018).

# 48.6%

OF 2019  
MANAGERIAL GRADES  
WERE WOMEN



Source: AFB



Observatoire  
des métiers  
de la banque

Main tasks :

- ▶ to compile statistics on the banking workforce and the training,
- ▶ to research and report on banking business careers and the trends affecting them,
- ▶ to carry out specific studies (main employment provisions, diversity in recruitment, professional gender equality...).

For additional information see:  
[www.observatoire-metiers-banque.fr](http://www.observatoire-metiers-banque.fr)

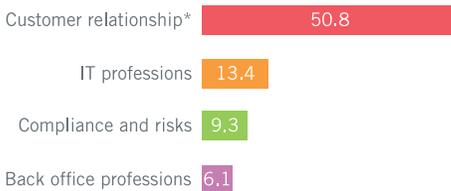
## INCREASINGLY SPECIALISED CAREERS

### More jobs at managerial grades

The rising level of qualifications of new hires coupled with on-the-job training leading to qualifications, has driven up the **general level of qualifications** in the banking workforce. **The proportion of employees working in managerial grade roles increased from 65% in 2018 and 66% in 2019<sup>(1)</sup>.**

### MAIN AREAS OF PERMANENT HIRINGS (in %)

Source: AFB



\*Reception officer, account manager, asset advisor

### One in two jobs in customer relation

**More than half of the French banking workforce works in business jobs in 2019.** Direct customer relationship jobs account for more than half of permanent hirings (50.8%), ahead of **IT** (13.4%), **compliance and risks** (9.3%) and **back office professions** (6.1%).

**Support services** represent **21% of the headcount**. These cover a range of expert roles (legal, tax, audit, accounting, logistics, etc.), often in positions with managerial responsibility. **The number of jobs in these professions continues to grow:** they accounted for 20.8% of new permanent hirings in 2019.<sup>(1)</sup>

(1) Figures on AFB scope.



# TRAINING AND PROFESSIONAL INTEGRATION: A PRIORITY

## Training: a major issue

In 2019, **the banking sector devoted 4.7% of its payroll costs<sup>(1)</sup>**, steadily increasing since 2016 (4.4%), close to **500 million euros**, on in-work training for its employees.

Banks thus help their employees to develop their skills and evolve within the company: **on average 100% of employees benefited from at least one training programme in 2019.**<sup>(1)</sup>

**Internal promotion** is very substantial: technicians represent 55% of promotions and 16% of those promoted go on to management positions. Promotions concern 60% of women.<sup>(1)</sup>

The main training and qualification providers are the Institut technique de banque (ITB), the Centre d'études supérieures de banque (CESB) and in-house courses, which allow employees to move into higher qualified roles.

**Investment in qualifications and professional development** of staff **is a key issue** for banks.

## An active work-study policy

The banking industry sees professional integration as a key stage in life. A way young people can move into work is via a work-study program (alternance) which combines in-work training with schooling. It's also an efficient recruitment method for companies and allows a good professional integration.



(1) Figures on AFB scope.

In 2019, banks initiated **more than 6,900 new contracts** (apprenticeship or professionalisation) mostly on training at Bac+4/5 level.

They also have initiated around **1,000 international volunteering contracts** (VIE contracts) in their foreign subsidiaries.

At the end of 2019, 8,900 work-study participants were working in the banks.

Banks also signed **7,000 internship agreements in 2019**, in order to receive young students during their training.

6,900



**NEW WORK-STUDY  
CONTRACTS IN 2019**

Source : AFB

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## **Supporting young people into work**

The profession has also committed itself to a **plan to help young unemployed people into work in the banking sector**.

Under this programme, the industry forges partnerships with local voluntary associations.

Besides the individual initiatives by each bank, AFB has pursued a partnership with the **Agence pour l'Éducation par le Sport** (APELS). It allows young talents from sports clubs, who are outside the world of work, to become bankers.

In partnership with **the Medef, the Wintegreat association and the Ecole Supérieure de la Banque (ex-CFPB)**, the banking sector contributes to the **work inclusion of high-skilled refugees**. Since 2018, 35 refugees have followed banking training and 31 have continued on professionalisation contract.

## A FAST-CHANGING EMPLOYMENT PICTURE

### Impact of digital technology

As in all industries, digital technology is a fundamental issue for banks and their transformation knows a fast acceleration. Banks are IT intensive firms, both direct contributors to the digital transformation and natural leaders in the digital financial field in France.

**Customer contact and advice are core values in the banking profession.**

The customer relationship changes with digital technologies. Bank branches are

# 82%

**OF FRENCH PEOPLE BELIEVE  
THE IDEAL BANK MUST HAVE  
PHYSICAL BANK AGENCIES  
AND DIGITAL SERVICES**

Source: Ifop survey - The French, their bank, their expectations - December 2018

less busy, contacts with the bank advisor are multichannel. Digital banks also expand.

The branch networks scattered throughout every region of France are a key asset. The decrease in the number of branches is less pronounced in France (-6.5% between 2009 and 2019) than in the euro zone (-30.1%) (ECB - 2019).

**There is now a synergy between the relationship banking model based on proximity and the development of digital banking services.** In fact, the banking apps are among the most consulted by the French after the weather and social networks (Opinion Way survey – May 2016).

While it is true that day-to-day banking is seeing changes in customer behaviour, **the careers providing expertise and customer advice are growing.**

Among other initiatives the profession has helped to create a **process leading to qualifications in a core set of digital skills available for every sector's employees.**

## Innovative technologies, a strategic issue for the sector

Banks are making full use of innovative technologies to enhance their range of products and services and renew the experience they offer their clients. In this area, the **Artificial Intelligence (AI) and the Blockchain** propose a new application scope: better customer knowledge (KYC), financial advices and account management, payments, cybersecurity, data protection... **Those evolutions are strategic in terms of skills and jobs** as revealed by the Observatoire des métiers de la banque studies.



Study available on website  
[www.observatoire-metiers-banque.fr](http://www.observatoire-metiers-banque.fr)

In December 2017, the first study on artificial intelligence «*The impact of AI on the banking profession: employment and skills*», carried out by the consulting firm Athling and piloted by a joint committee, shows that AI is progressing but that there is still time to establish a position with respect to the far-reaching transformations it will produce.

In February 2020, the Observatoire released a new survey “*Impact of the Blockchain on banking professions and skills*”, carried out by the consulting firm Onepoint. The survey presents the main principles of the Blockchain, the opportunities and limitations of its application, and aims to identify and anticipate the impacts on the banking professions and skills.

18, RUE LA FAYETTE  
75440 PARIS CEDEX 09  
TEL: +33 1 48 00 52 52

**FBF.FR**

 @FBFFrance



October 2020

Head of publication :  
Maya Atig

