

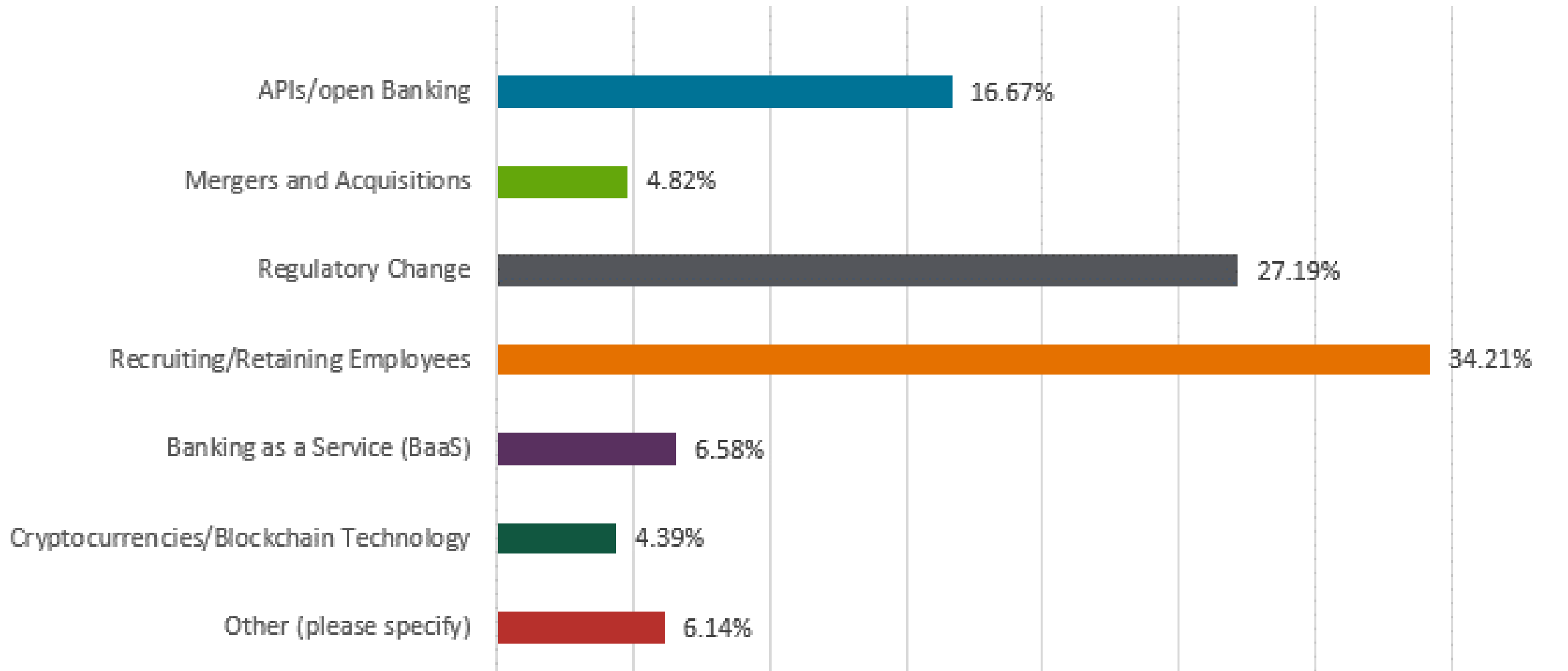
The Talent Imperative:

Engaging Your People Wherever They Are

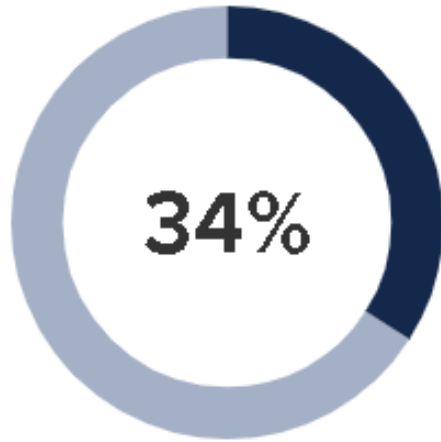
2023 Financial Institutions Summit
August 23, 2023



The “One Thing”...

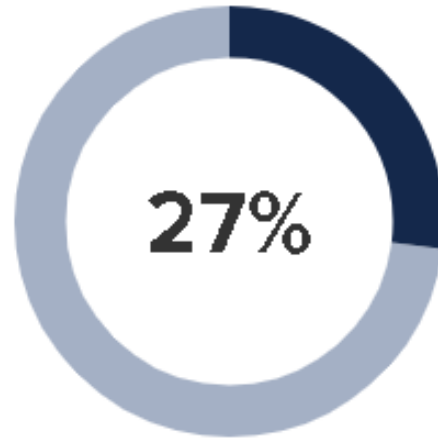


Forecasting the Most Impactful Trends for 2024



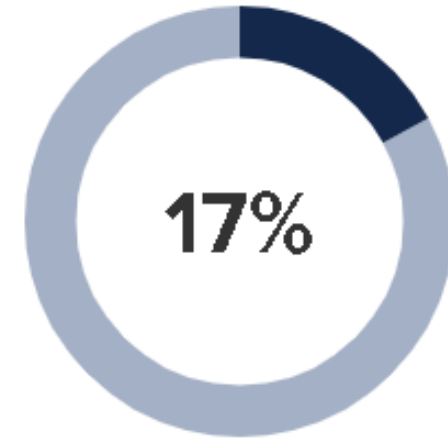
Recruiting/Retaining Employees

Over 1/3 of bankers described this as the biggest issue in the coming year, up from 21% going into 2022.



Regulatory Change

Over ¼ viewed impending changes to banking regulations as the most pressing issue.



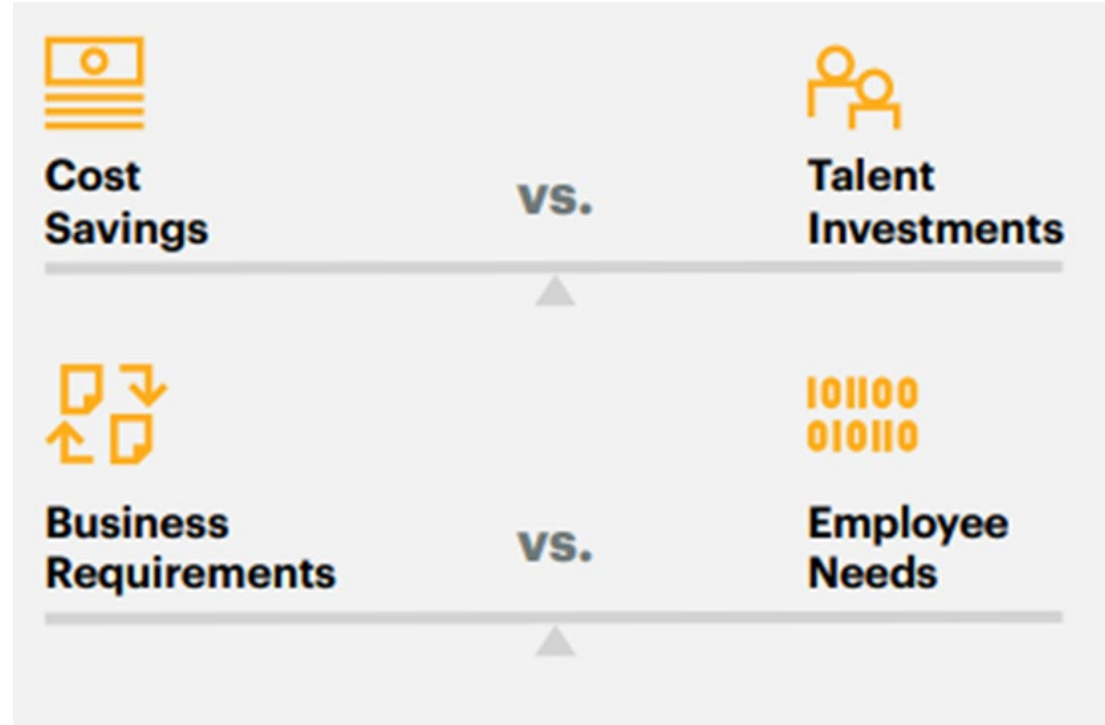
APIs/ Open Banking

Rounds out the top three issues



Talent Challenges in 2023/4

The
Delicate
Balance



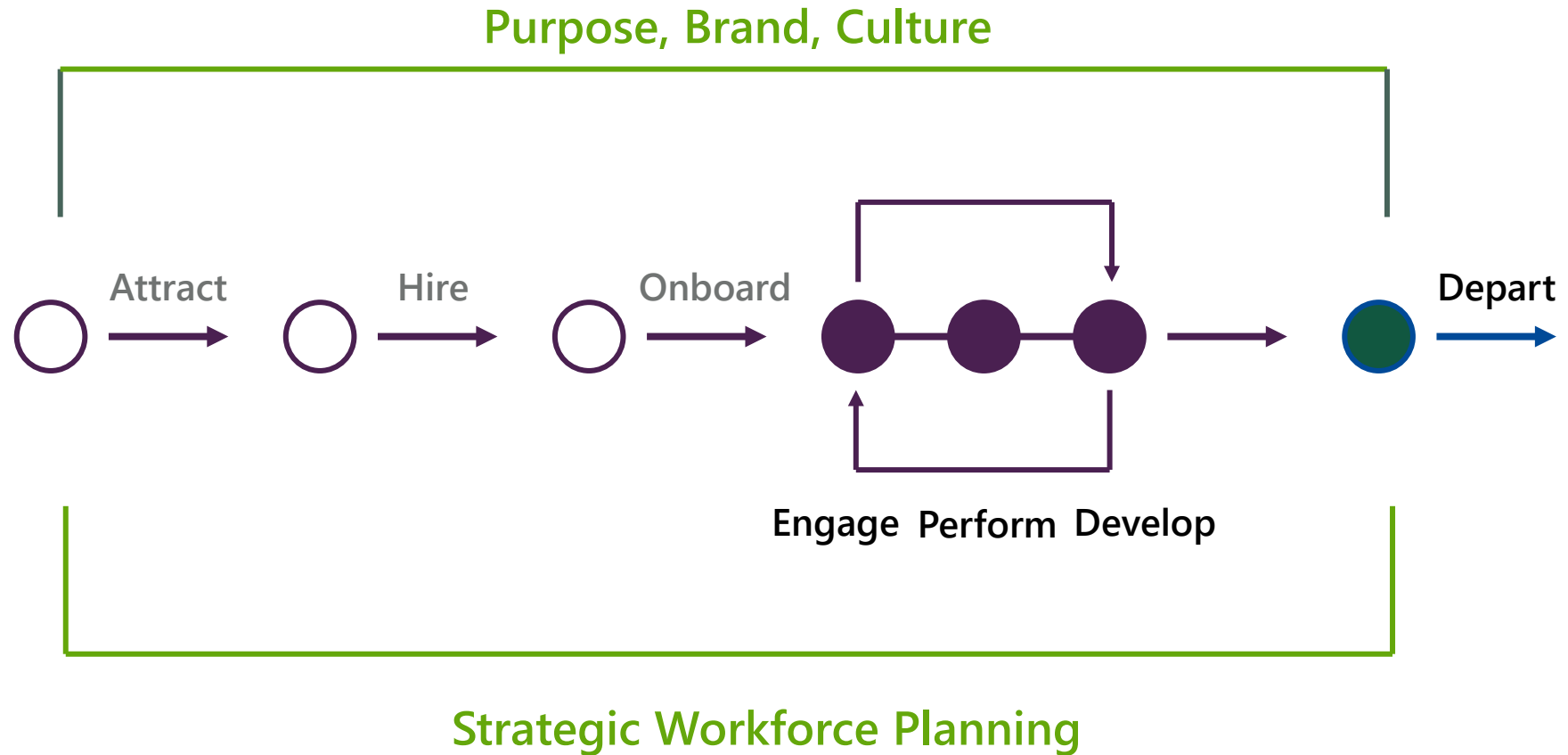
What specific challenges has your bank faced in attracting and retaining talent?



Respondents were asked to select all that apply.



The Strategic Approach to HR



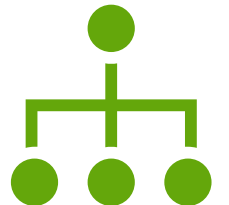
How Healthy is Your Talent Pipeline?

Beyond “Post & Pray”

Recruiting: The Talent Challenge

36% of HR leaders say their sourcing strategies are insufficient for finding the skills they need.

- + Continued Surge In Demand
- + New Normal For Attrition
- + Candidates Are Harder To Attract & Convert



Upskilling

- ▶ Don't Overlook Internal Talent Pipeline: Develop Skills Of Workforce
- ▶ Prioritize/ Invest In Upskilling



Skills-Based Hiring

- ▶ More Companies Are Piloting Skills-based Hiring
- ▶ Setting Specific Skills & Competency Requirements For A Job Vs. Only Looking at a Candidate's Credentials.



Evolving Expectations of Talent

The New Normal.

Changing Talent Expectations

▶ Flexibility

52% of employees say flexible work policies will affect their decision to stay at their organizations.

▶ Shared Purpose

53% of employees want their organizations to take actions on issues they care about.



Changing Talent Expectations

▶ Well-Being

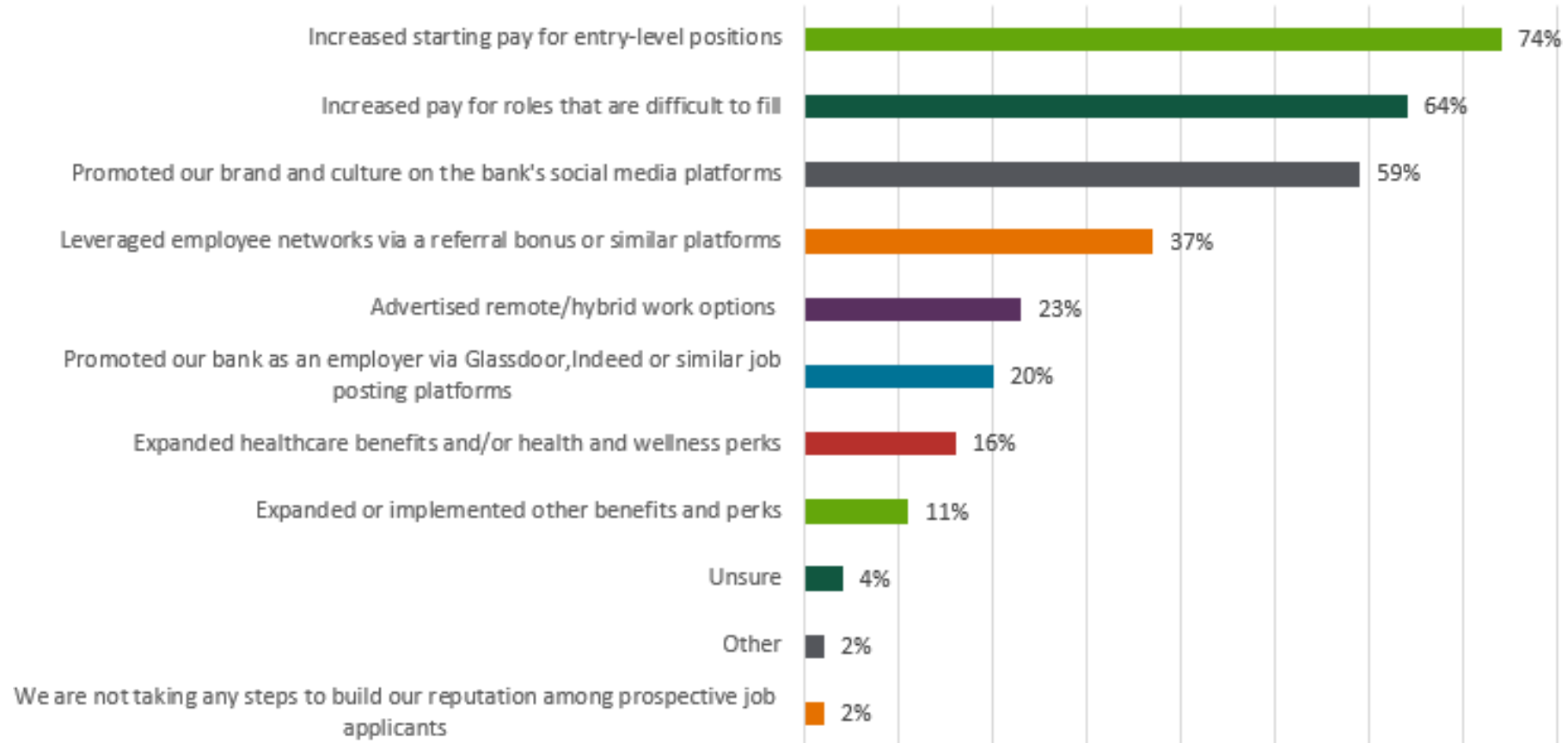
70% of companies have introduced new well-being benefits or increased the amount of existing wellbeing benefits.

▶ People First

82% of employees say it's important for their organization to see them as a person, not just as an employee



What steps has your bank taken to build its reputation as an employer of choice in its market(s)?



Respondents were asked to select all that apply.



Do You Have a Clearly Defined Employee Value Proposition?

... and are you following through on those promises?



Employers who use EVPs successfully are
5X more likely to consider their employees
highly engaged.

(Deloitte 2021)



Holistic Employee Value Proposition



Your HR Team should be laser-focused on the Employee Value Proposition (EVP) to ensure it resonates strongly, and is reinforced by the policies, programs, and interactions that shape the employee experience.

i4CP, 2023



The “Why”

Purpose of an EVP...

- ▶ Communicate
- ▶ Differentiate
- ▶ Inform Decisions



The “How”

- Gain Alignment around the need for an EVP
- Take Stock (Assets/Liabilities)
 - Engagement survey/Employee Experience Data
 - Exit Interviews
 - Company Reviews
 - Competitive analysis/SWOT
 - Get Real!
- Create a Simple, Aspirational statement
- Put the EVP statement at the center of ALL HR Decisions, Investments , Goals and Tactics
 - Closer to? Further away from?



Flexibility

There is No One-Size Fits All Solution.

***Flexibility is not a concession,
it's a strategy.***



One Size Does Not Fit All

- ▶ Tailor Your Hybrid Model
- ▶ Know Your Strategic Aim
- ▶ Not A Democracy/Needs Of The Business
- ▶ What Kind Of Talent Do You Want To Attract?



What To Do Now to Retain Your HVP

(Highly Valued People)

Employees Need to Fit Their Seat...

Assessments

Having the right people in the right jobs is truly powerful.

Job Descriptions

Accurate description of the responsibilities and requirements is key.

KPIs

Clear and measurable goals shouldn't be optional.



...and the Seat Needs to Be Comfortable.

Compelling Careers: Critical for Retention

Professional Reasons Employees Decided to Leave Their Previous Jobs



44% of HR Leaders believe their organizations lack compelling Career Paths.



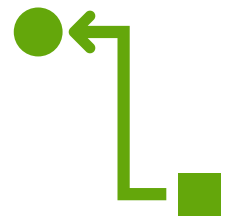
Focus on the Frontline Experience

- ▶ 45% of Frontline Workers plan to leave their job in next 3-6 months.
- ▶ Disproportionate Value Creation is at the Frontline
- ▶ Direct Manager/Supervisor Drives the Employee Experience
- ▶ Employee Experience directly impact Customer Satisfaction/NPS
- ▶ Onboarding is Key
- ▶ Engagement Surveys/Pulse Surveys Continue to be Effective Tool



Leader & Manager Effectiveness

- ▶ Developing Leaders for Future of Work
24% of HR Leaders say Leadership is NOT prepared
- ▶ Manager Effectiveness Drives the Employee Experience
- ▶ Employee Experience Drives the Customer Experience



How Do You Know Your Total Rewards Are Competitive?

Your EVP is Your Guide

Current Reality: Increasing Wages & Raises

- ▶ There Are More Open Jobs Than People To Fill Them
- ▶ Inflation Continues To Impact Employee Pay Expectations
- ▶ This Will Continue Through 2023
 - Companies Are Budgeting Overall Increase Of **4.1%** For 2023
 - Most Significant Increase Since 2008
- ▶ Median Raise Given To Those Who Changed Jobs Was **16.1%**
 - Nearly **Double The 7.6%** Yearly Pay Change For Those Who Stayed



Focus on in 2023/4

- ▶ Year-Round Benefits Education
- ▶ Pay Transparency
- ▶ Flexible Benefits: Meet People Where They Are
- ▶ Pay Matters, and so Does Career Development
- ▶ Continue to Imbed Well-Being into Culture & Programs



Focus on in 2023/24

- ▶ Focus on the Frontline Experience
- ▶ Simplify , Support & Enable the Manager Role
- ▶ Intentional Leadership & Manager Development
- ▶ Create, Communicate & Celebrate Career Paths
- ▶ Making Hybrid & Flexible Work, Work
- ▶ Imbedding Diversity, Equity, Inclusion & Belonging
- ▶ Skills-based Hiring
- ▶ Look Internally for Talent



People Drive Performance.



Cherry Bekaert HR Advisory Services
Maximizing People and Their Potential.
Humans, Not Just Resources.

 **Cherry Bekaert**
Your Guide Forward

Questions



Susan Pittman
HR Advisory Leader

Susan.pittman@cbh.com

Mobile: 502.548.2743

Office: 502.882.4664

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