



TRANS TALENT

REIMAGINING
THE BFSI WORKFORCE

How does one become a butterfly?' Pooh asked pensively.
'You must want to fly so much that you are willing to give up being a caterpillar, Piglet replied. You mean to die?' asked Pooh. 'Yes and no,' he answered. 'What looks like you will die, but what's really you will live on.'

[A.A. Milne](#)

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Last year, Manipal Global Academy of BFSI undertook a study to analyse the demand and supply dynamics of the talent ecosystem and to understand the key imperatives of talent management in the BFSI Sector.

Here are some of the questions we set out to answer:

- What is the size of the talent challenge, and how does it break down by segment and by role?
- What are the underlying HR complexities, or 'wicked problems' that need to be addressed by the industry?
- What are the opportunities for action, can we learn from other players and industries?

The findings from this study are published and presented in this Industry Whitepaper.

PREFACE

About a year back, a discussion at the Manipal Global's NxtGen Leadership Summit led to a rather interesting debate among industry leaders and representatives over the talent challenges in Banks, Financial Services and Insurance (BFSI) organisations. The growing Indian middle class, the proliferation of products and services, the regularisation of businesses, the expanding network of financial services companies - all pointed towards a rapid growth of employment in the sector. However, there was also a lot of talk about the growth of digitisation, automation and the dramatic emergence of Fintech; and their impact on workforce requirements. Some areas, e.g. broking, were already witnessing accelerated workforce reduction. On the other hand, multiple new positions and roles were coming up and sourcing people for them was proving to be a challenge for quite a few of our clients across private banks, insurance companies and NBFCs.

“What did all this mean? Did we have a massive hiring and skilling requirement on our hands? Or, were we staring at an imminent job crisis?”

These questions led to Manipal Global Academy of BFSI undertaking a study to understand the talent imperatives for the BFSI sector. We set out to find answers to the three following broad questions:

1. What is the size of the talent challenge, and how does it break-down by segment and by role?
2. What are the underlying HR complexities, or “wicked problems” that need to be addressed by the industry?
3. What are the opportunities for action, can we learn from other players and industries?



Bimaljeet Singh Bhasin
Vice President and Head - Enterprise Business
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We realised early on, that macro analysis would be too simplistic an approach, in this multi-layered situation. Industry sub-segments and roles had a part to play in the talent imperative. The growth of new technologies and evolving customer expectations mean that we need to reimagine the future workforce - including ways to source and nurture them.

Sales, for instance, has one of the fastest growing hiring requirements - but the growth of digitally native consumers means that the sales role needs immediate and rapid changes. Other segments, like insurance, face massive perception issues, with fewer college students keen to pursue a career in this field. Theoretically, people realised that back-office jobs could be moved into other areas - but in practice, this proves to be extremely difficult. On the other hand, organisations are realising the need for multi-disciplinary team structures; however, they are struggling to make it work for themselves.

During the course of this study, we have interacted with over 50 industry participants, several of our colleagues and more than 1,000 students to understand the situation from varied perspectives. We have attempted to quantify the size of the issues at hand and provide contextual examples from across the world.

One thing is certain: there is no silver bullet available. Success will require a creative and multi-pronged approach. It is also worth noting that some of these issues cannot be addressed by a single organisation; they would require an industry-wide effort.

As the saying goes, every crisis is an opportunity. While the changing environment has not developed into a crisis yet, this might be the best time and opportunity to **Reimagine our Workforce** and prepare for a competitive future.

We hope that this document will provide you with information for reflection and ideas that you can work towards, for taking concrete steps in this space.

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ACKNOWLEDGEMENTS

This whitepaper is an outcome of a study undertaken by Manipal Global Academy of BFSI to analyse the demand and supply side dynamics of the BFSI talent ecosystem and to understand opportunities for action towards workforce management in the BFSI Industry.

Many leaders of the BFSI Industry have contributed to the study by sharing inputs through one-on-one discussions and industry workshops - which we conducted as part of the methodology.

Manipal Global would like to extend its sincere gratitude to the following leaders of the BFSI Industry for their enriching thoughts, support and direction, without which our efforts would not have culminated.



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GLOSSARY

AI - Artificial Intelligence	IBEF - India Brand Equity Foundation
AMCs - Asset Management Companies	ICWA - Institute of Cost and Works Accountants of India
AMFI - Association of Mutual Funds of India	IFAs - Independent Financial Advisor
AML - Anti-Money Laundering	IoT - Internet of Things
AUM - Assets Under Management	IP - Insolvency Professionals
BFSI - Banking, Financial Services and Insurance	IRDAI - Insurance Regulatory and Development Authority
BI - Business Intelligence	KYC - Know Your Customer
BSE - Bombay Stock Exchange	MFI - Micro Finance Institutes
B-15 Cities - Beyond top 15 cities	MF - Mutual Fund
CA - Chartered Accountant	MOOCs - Massive Open Online Course
CAGR - Compounded Annual Growth Rate	NBFC - Non-Banking Financial Company
CoEs - Center of Excellence	NIIT - National Institute of Information Technology
CPCs - Central Processing Centres	NPAs - Non-Performing Assets
CS - Company Secretary	NSDC - National Skill Development Corporation
EPFO - Employees' Provident Fund Organisation	NSE - National Stock Exchange of India Ltd.
ER&D - Engineering and R&D	OJT - On Job Training
F&A - Finance and Accounting	P2P - Peer-to-Peer
FB - Foreign Banks	PMS - Portfolio Management Services
FDs - Fixed Deposits	PSBs - Public Sector Banks
FoS - Feet on Street	PVB - Private Sector Banks
FS - Financial Services	R&D - Research and Development
FY - Financial Year	R&T - Registrar and Transfer Agent
GICs - General Insurance Companies	RBI - Reserve Bank of India
GICs - Global In-house Centers	RPA - Robotic Process Automation
HNI - High Net Worth Individual	SEBI - Securities and Exchange Board of India
IBA - Indian Banks Association	SFB - Small Finance Banks
IBBI - Insolvency and Bankruptcy Board of India	UI/UX - User Interface/User Experience

DISCLAIMER

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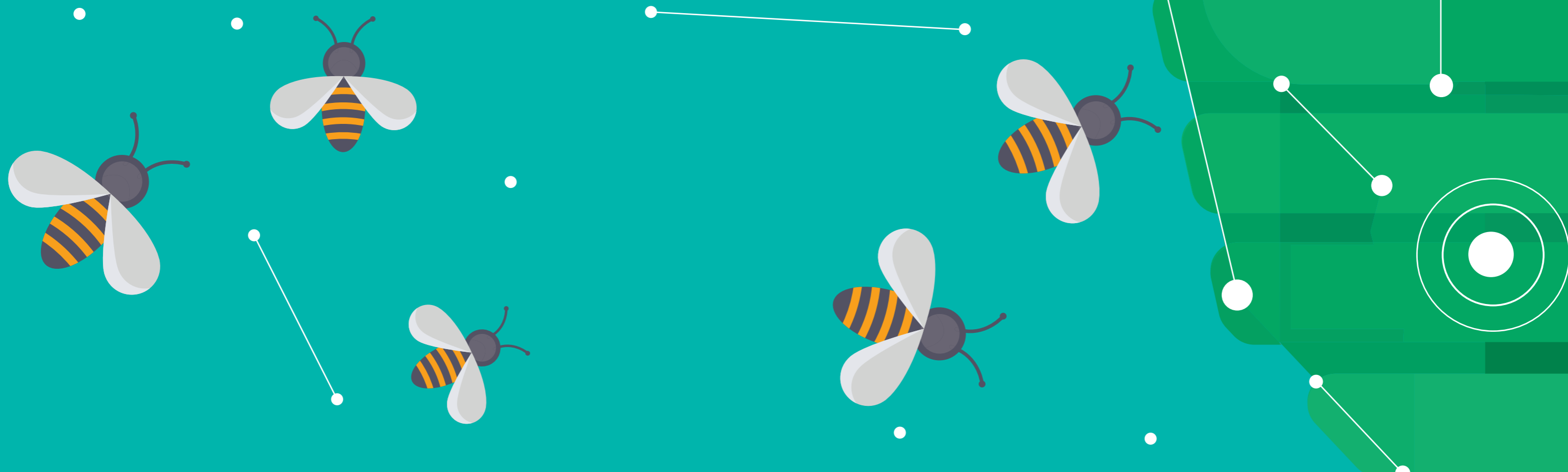


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THE DEMAND STORY

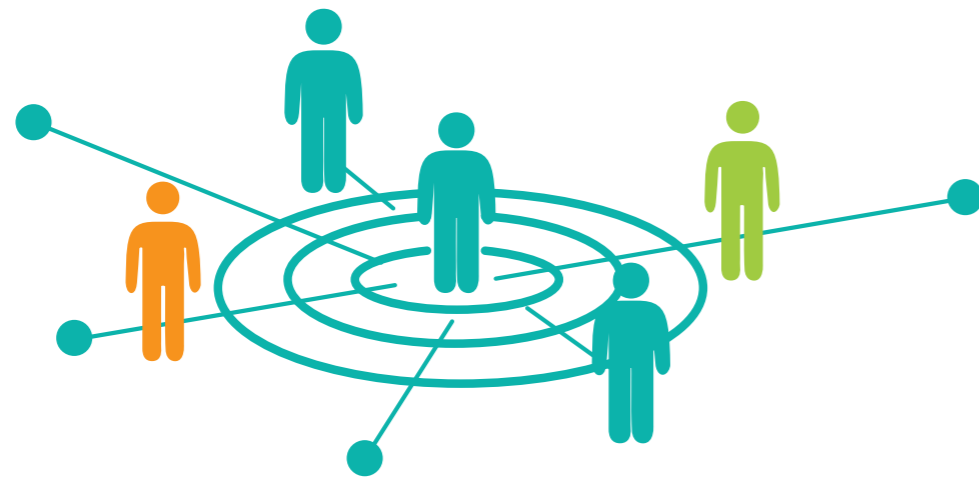
Workforce Projections 2017- 2022

Banking
Financial Services
Insurance



WORKFORCE PROJECTIONS 2017-2022

The Indian BFSI sector employed 25 lakh people as of 2017. This is expected to grow to ~27 lakh people by 2022 ↗



BANKING

Overall manpower in the Banking segment, the biggest component of the BFSI sector accounting for over half of the total workforce, is expected to grow over the next 5 years

Role rationalization, customer facing roles will be the driver of workforce demand among the Public Sector Banks.

Retail Banking operations are expected to be the primary driver of workforce demand in the Private Sector Banks.

Corporate Banking operations across the board are expected to see workforce rationalization because of automation and growth of alternate lending options.

BANKING is expected to employ ~14 lakh people by 2022 ↗

FINANCIAL SERVICES

Financial Services is a volatile segment in the BFSI sector, with disruptors democratizing several functions through robo-advisory, social trading and retail algorithmic trading

The AMC workforce is expected to grow because of distributor-led penetration in B-15 cities and digital channel-led dis-intermediation in metros.

Broking workforce is expected to shrink because of discount broking platforms and the increasing use of smarter and faster machines for algorithmic trading.

The workforce across NBFCs (Other than AMCs and Broking) is expected to grow at an impressive rate over 2017-22 because of aggressive business expansion plans in rural and semi-urban areas.

FINANCIAL SERVICES is expected to employ ~9 lakh people by 2022 ↗

INSURANCE

Insurance segment workforce is expected to continue to grow on the back of increasing penetration levels. General Insurance will be a key contributor

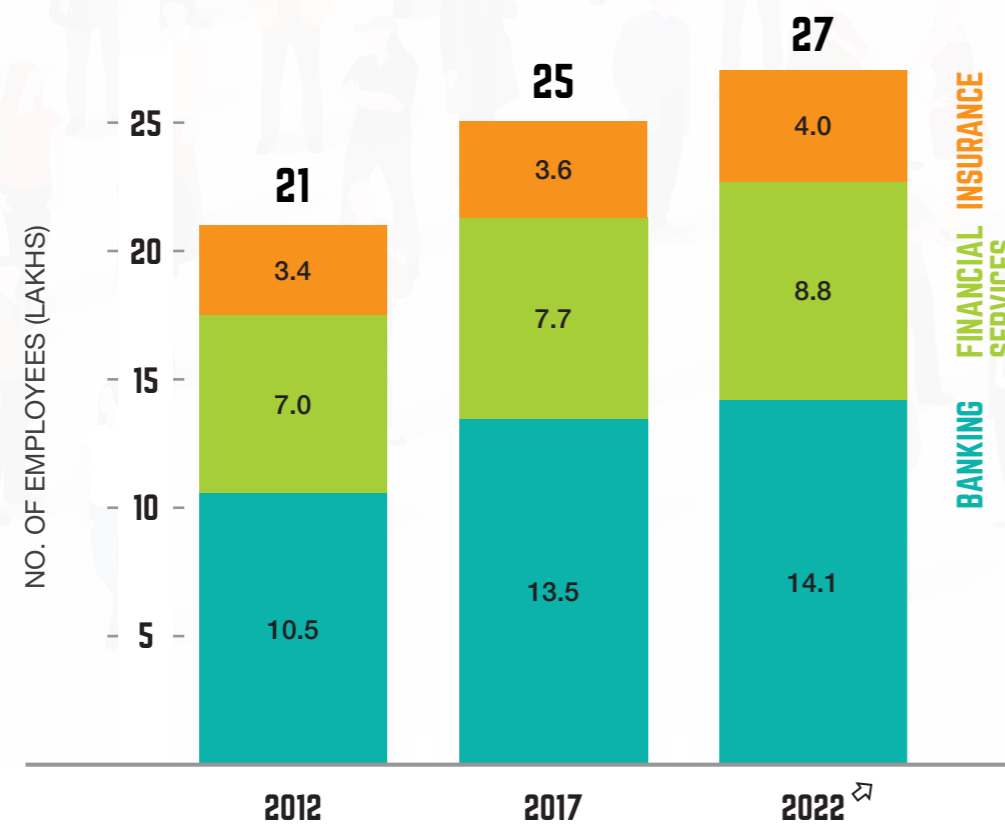
Agent network, a critical player in the insurance sector, might expand moderately because of aggressive push in B-15 cities and rural areas.

Aggressive growth plans of general insurance companies can lead to workforce expansion in this segment. Majority of this growth will be in sales roles.

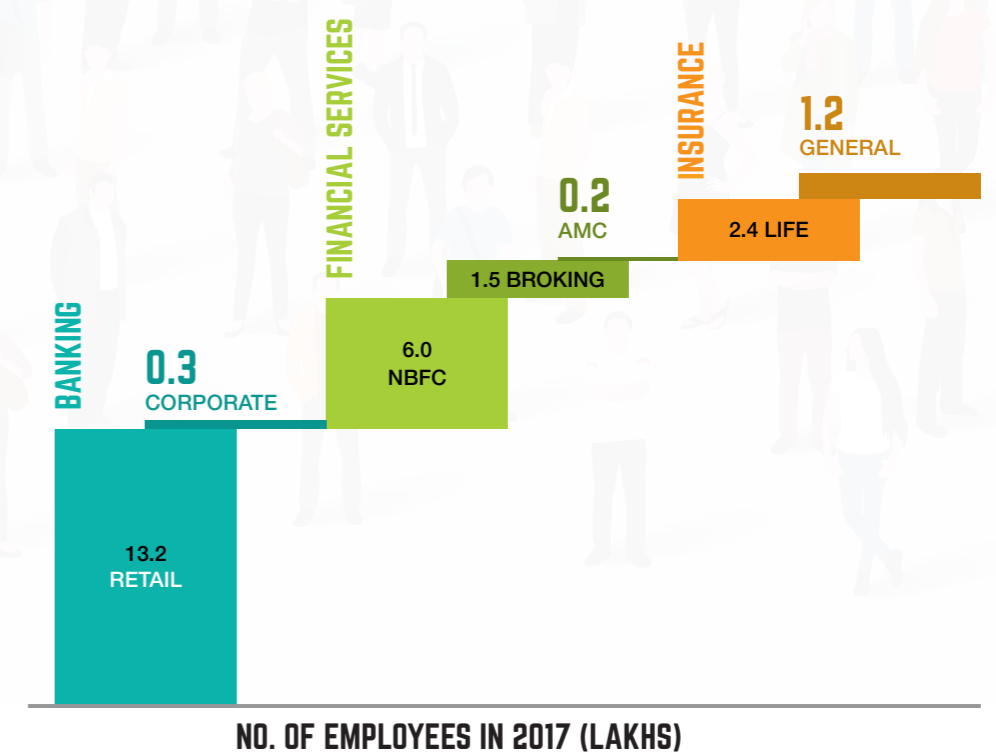
Operational roles in life insurance companies may decline marginally as the business growth will be offset by automation, outsourcing and productivity gains.

INSURANCE is expected to employ ~4 lakh people by 2022 ↗

THE INDIAN BFSI SECTOR EMPLOYED 25 LAKH PEOPLE AS OF 2017



BANKING IS THE LARGEST EMPLOYER WITHIN THE SECTOR, NBFC NUMBERS ARE LARGE AND OFTEN DISREGARDED



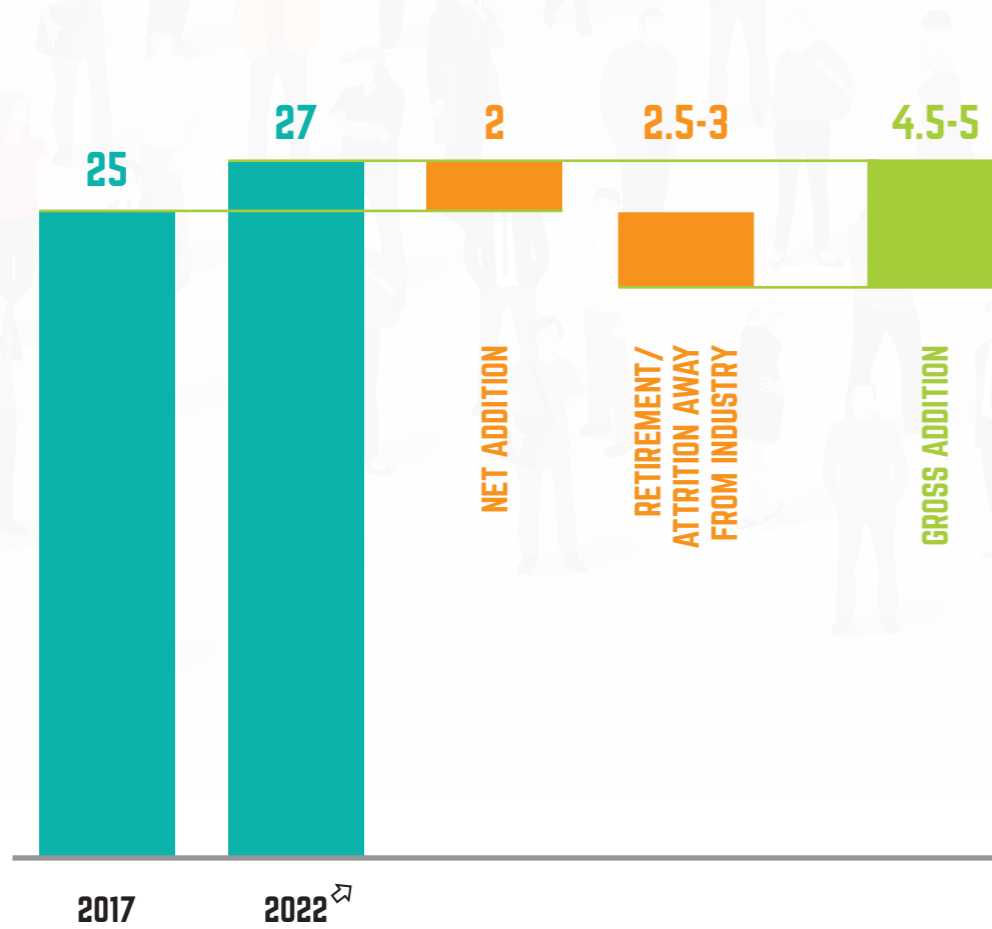
Note: Includes on-roll employees. Does not include bank/insurance agents, Independent Financial Advisors (IFAs), and other 3rd party companies that take on outsourcing work.

SOURCE: RBI, SEBI, EPFO, IRDAI, LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

SOURCE: RBI, SEBI, EPFO, IRDAI, LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

THE SECTOR IS EXPECTED TO ADD 4.5-5 LAKH NEW PEOPLE BY 2022

GROSS ADDITIONS OVER 2017-2022 (LAKHS)



HOWEVER, GIVEN THE MOVEMENT WITHIN THE INDUSTRY, GROSS HIRING WOULD BE MUCH HIGHER

GROSS HIRING REQUIREMENT
20-25 LAKH
 HIRES OVER 5 YEARS*

*Includes gross addition of 4.5 - 5 lakh new people and intra-industry movement at ~15% - 20% p.a. attrition



<p>Average attrition levels in GI are 20%-30%.</p> <p>Insurance Expert</p>	<p>We see an attrition of 20%-25%.</p> <p>Private Sector Banker</p>	<p>We have an attrition of 35%-40%.</p> <p>NBFC Expert</p>
<p>The sector typically has an attrition level of 40%-50%.</p> <p>NBFC Expert</p>	<p>Private sector banks typically have an attrition of 18%-20%.</p> <p>Leading Private Sector Bank</p>	<p>We have an annual attrition rate of ~3%. The average attrition level among PSBs is ~5%.</p> <p>Leading Public Sector Bank</p>





WORKFORCE PROJECTIONS 2017- 2022

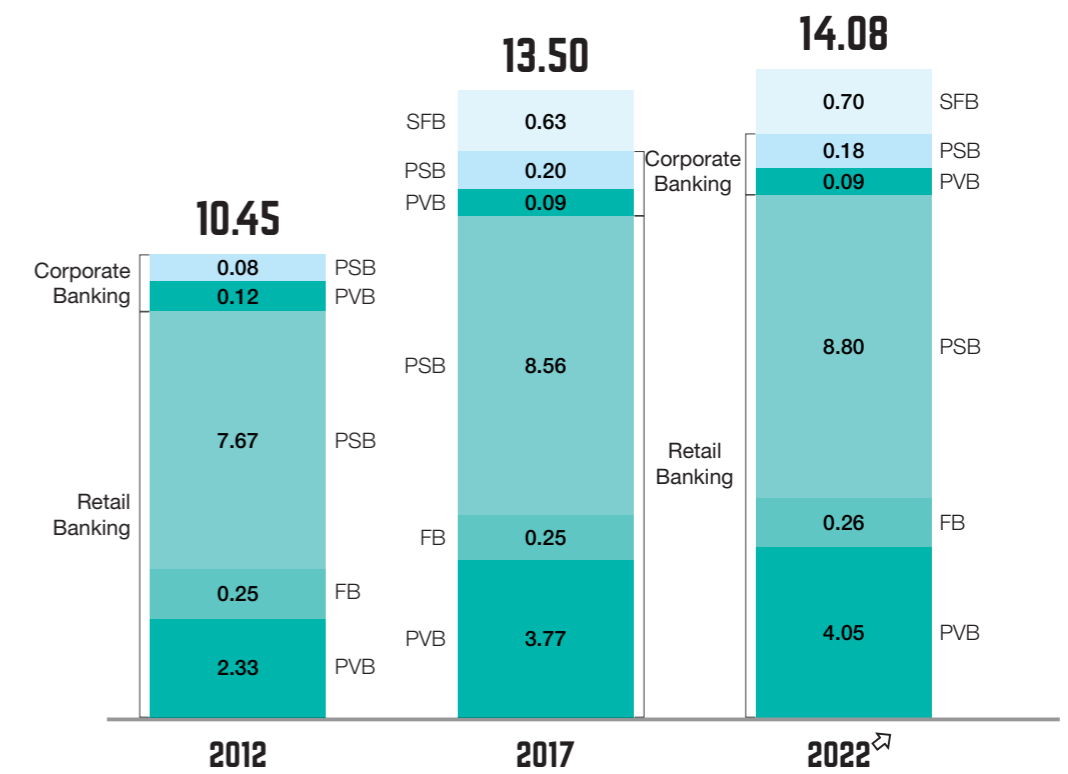


BANKING



BANKING ACCOUNTS FOR OVER HALF OF THE BFSI WORKFORCE

MANPOWER BREAKUP (LAKHS)



TRENDS



Retail banking manpower to increase modestly, balancing across financial inclusion and automation



Corporate banking man-power in operational roles to get rationalized due to automation, whereas sales workforce is expected to remain stable.



SFB manpower to increase due to financial inclusion of rural and semi-urban areas.

Note: 1. Corporate banking broadly implies dealing with customers with an annual turnover of at least Rs 1,000 Cr. 2. Does not include cooperative banks, payment banks and informal banking setups.

PUBLIC SECTOR BANKS' WORKFORCE GROWTH TO BE DRIVEN BY CUSTOMER FACING AND SPECIALIST ROLES

RETAIL BANKING MANPOWER – PUBLIC SECTOR BANKS (LAKHS)



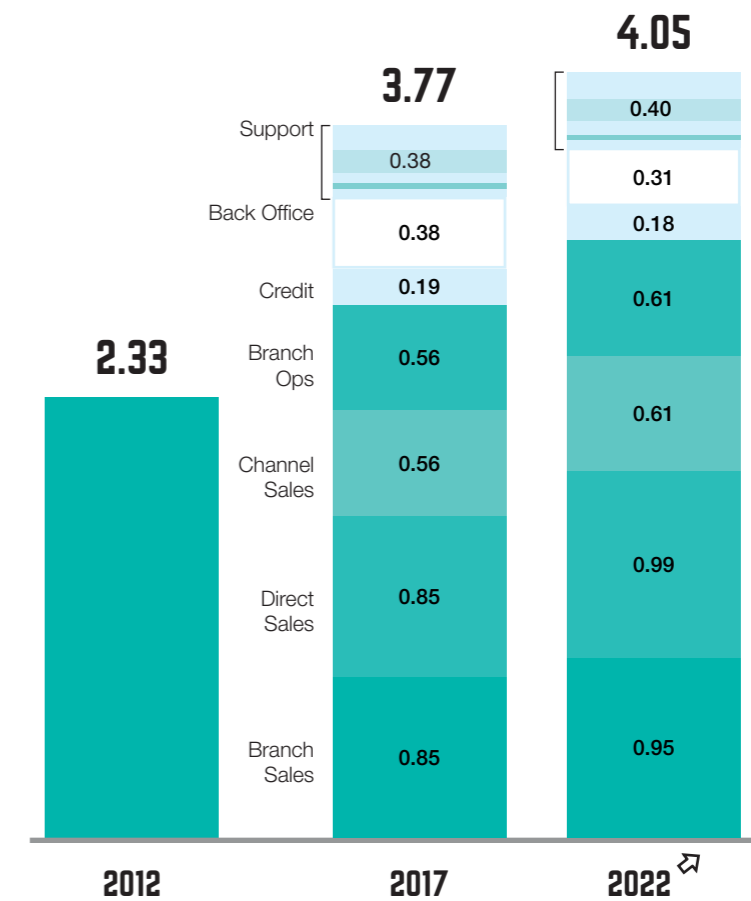
TRENDS

- Sales workforce is expected to increase due to redeployment of workforces from operations to customer facing and sales-oriented roles
- Back-office manpower is expected to get reconstituted due to automation of operations related jobs
- Demand for specialist roles is expected to grow

SOURCE: COMPANIES ANNUAL REPORTS, RBI, LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

PRIVATE SECTOR BANKS' WORKFORCE GROWTH TO BE DRIVEN BY RETAIL BANKING OPERATIONS

RETAIL BANKING MANPOWER – PRIVATE SECTOR BANKS (LAKHS)

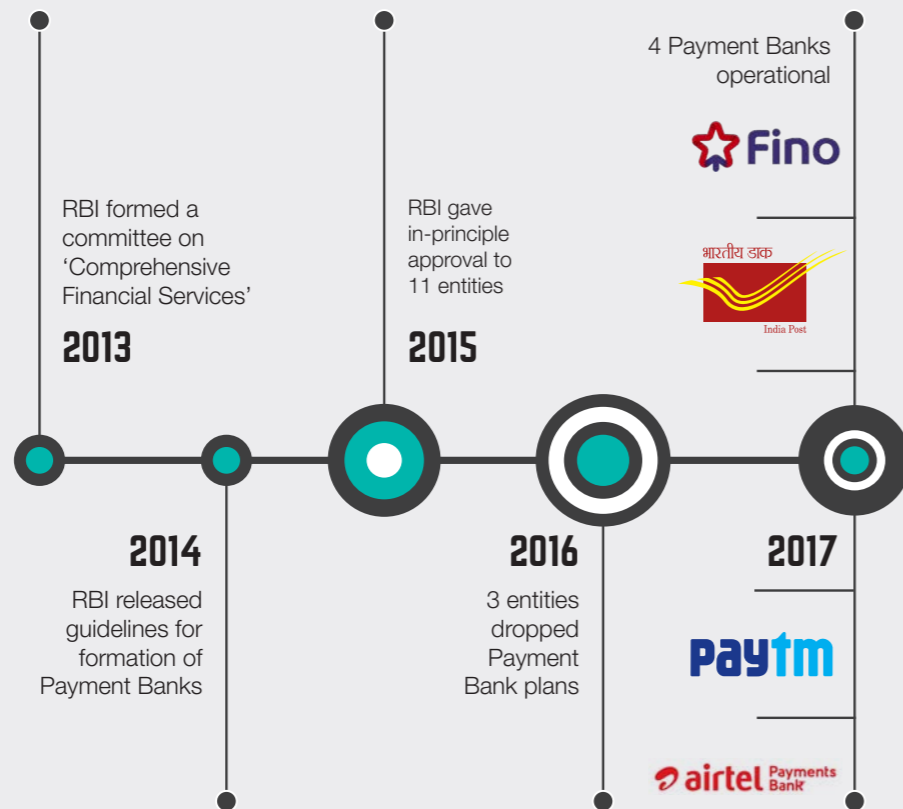


TRENDS

- Private Sector Banks are expected to continue hiring to expand their presence in B-15 cities. Hiring growth would be balanced by technology and productivity improvements
- Increasing trend of cross-functional skills across roles, sales personnel would be required to have some operations-related skills and vice versa
- Branch and direct sales are expected to grow, with limited growth in channel sales. Workforce engaged in digital marketing and analytics is expected to increase significantly. However, their overall share in the workforce would remain quite small

Note: Support includes IT, Admin, Finance, HR and Marketing

PAYMENT BANKS WILL HIRE PEOPLE ACROSS THE SPECTRUM



Company Strategies

- Currently targeting existing customers with product discounts
- Inability to lend limits their growth prospects

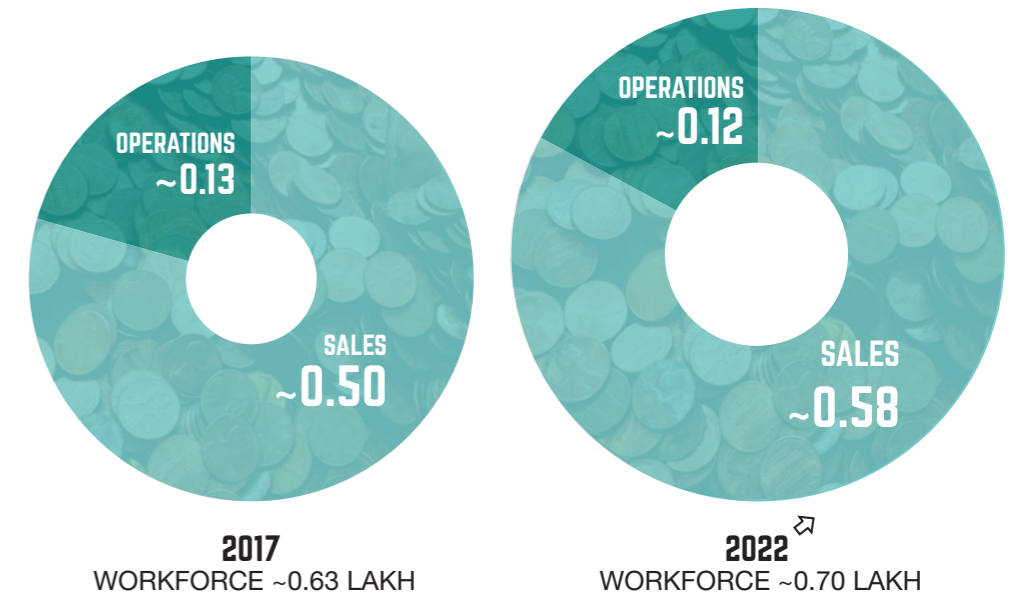
Typical Job Roles (India Post Payment Bank)

- Sales – Sales Ops
- Product – UI/UX, Retail Products, Merchant products, Product Research, UI and UX
- Marketing – Digital Marketing, Branding and Marketing
- Operations – Fraud, Customer Service, Call Centre, Branch Ops

Hiring Trends

- **India Post**
Hired about 2000 officers
- **airtel Payments Bank**
Hired 500 people till January 2017

SMALL FINANCE BANKS' WORKFORCE GROWTH TO BE DRIVEN BY SALES ROLES



TRENDS

Role

- Drive financial inclusion by extending formal financial credit to micro and small enterprises currently dependent on unorganized sector lending
- Act as tech-based low-cost intermediaries

Challenges

- To build liability-side workforce
- Compete on deposits with large banks by offering higher interest rates on FDs and savings accounts

Strategies

- More measured underwriting and lending, with a focus on certain geographies/segments
- Continue lending-side practices of MFI loans and affordable housing loans

Workforce Implications

- Expected to grow due to government's financial inclusion policies, as they have core expertise in rural/semi-urban areas
- Focus on rural/semi-urban recruitments to abide by regulations on loan disbursements



WORKFORCE PROJECTIONS 2017- 2022



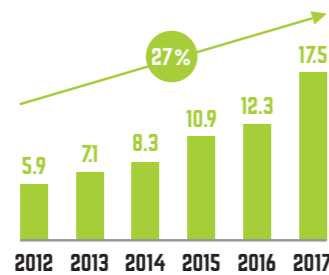
FINANCIAL SERVICES

INVESTMENT MANAGEMENT IS GROWING RAPIDLY

AMC SEGMENT

27% CAGR IN AUM

AUM (Rs. Lakh Crores)



DRIVEN BY GROWTH IN RETAIL...

Retail folios have grown at 11% CAGR



...AND BY DEEPER GEOGRAPHIC PENETRATION

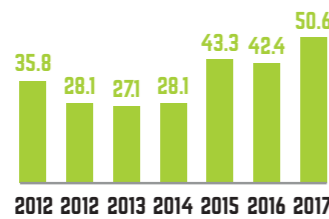
B15 cities have grown at 30% p.a.



BROKING SEGMENT

CYCLICAL TURNOVER NOW ON UPSWING

NSE Turnover (Rs. Lakh Crores)



MARGINS UNDER PRESSURE

Retail folios have grown at 11% CAGR

- Brokerage industry revenues declined by 6-7% in FY16
- Share of brokerage revenues have declined for most financial firms

LEADING TO CONSOLIDATION

Brokers have declined by 65% over the last 5 years



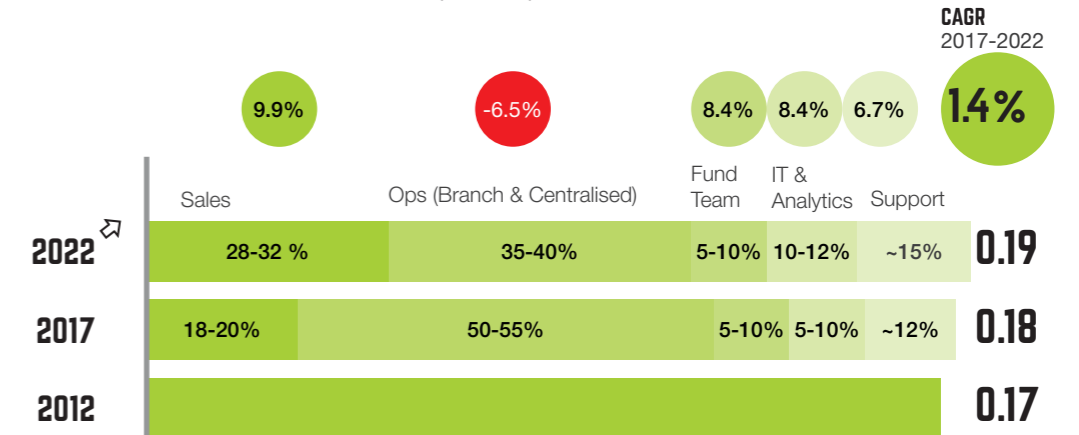
INDUSTRY DRIVERS

- Increasing retail participation
- Increasing penetration in B-15 cities
- Growing number of HNIs
- Increasing disposable incomes
- Capital markets emerging from cyclical lean period

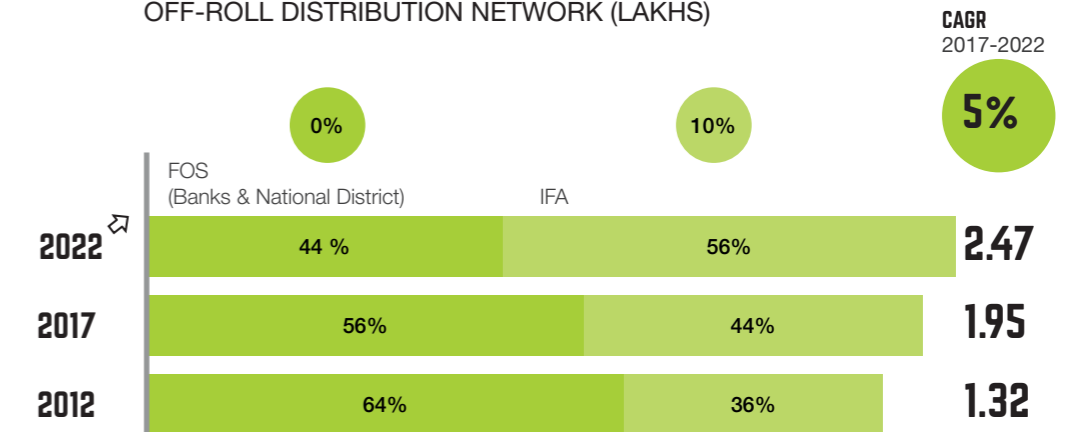
SOURCE: SEBI, AMFI, EPFO, MXV INTERVIEWS AND ANALYSIS

AMC WORKFORCE TO GROW MODESTLY

ON-ROLL EMPLOYEES (LAKHS)



OFF-ROLL DISTRIBUTION NETWORK (LAKHS)



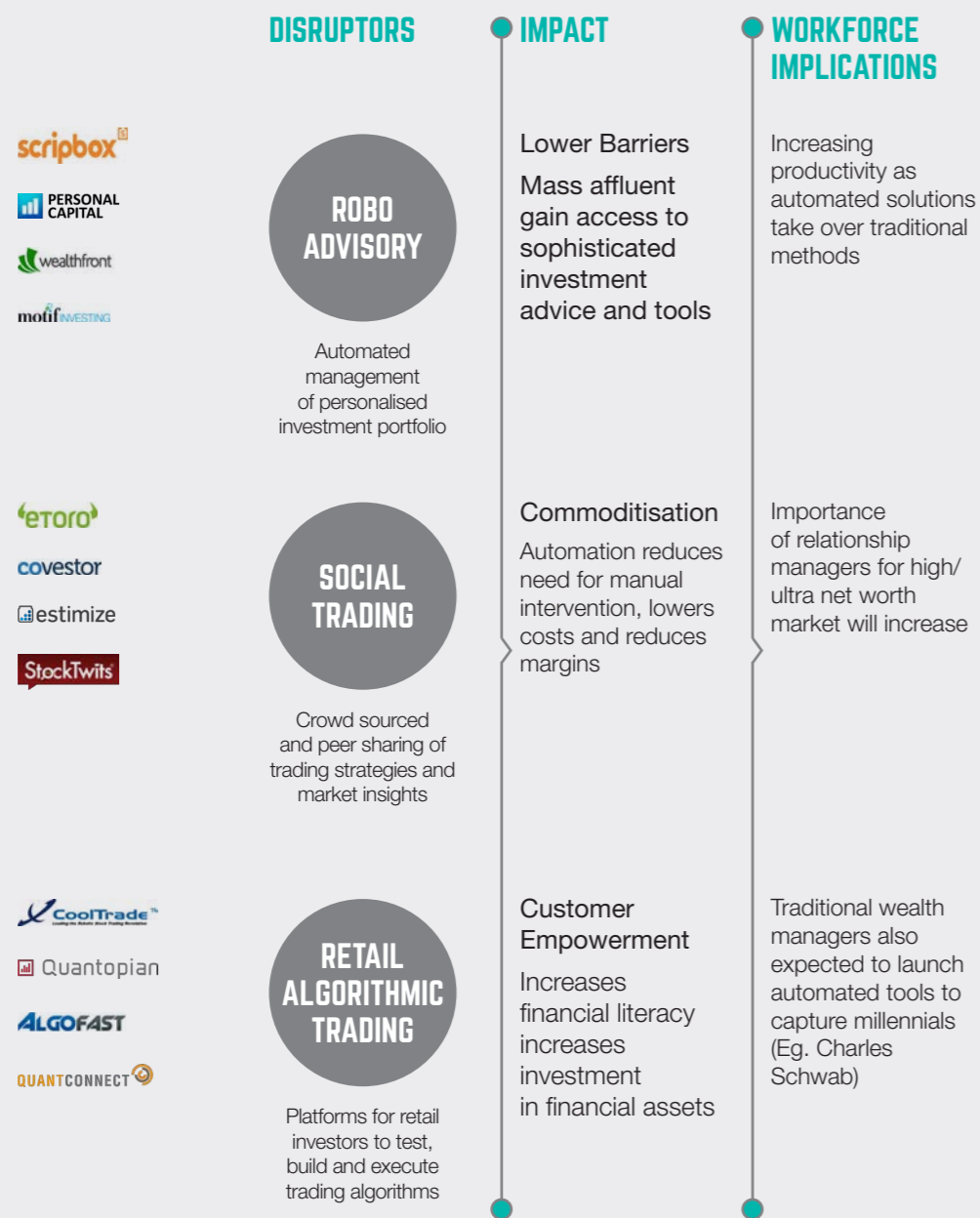
WORKFORCE DRIVERS

- Asset management industry is distributor driven; 90% of total workforce employed as distributors
- IFAs are expected to grow at 10% CAGR over 5 years
- Bank channels are expected to remain relatively stable because of the growth of digital channels
- Distributor led penetration in B-15 cities (as investors require more hand-holding)
- Digital channel led dis-intermediation in metros

Note: On-roll employees include employees of AMCs, R&T Agents (CAMS, Karvy etc) and PMS/ Wealth Management

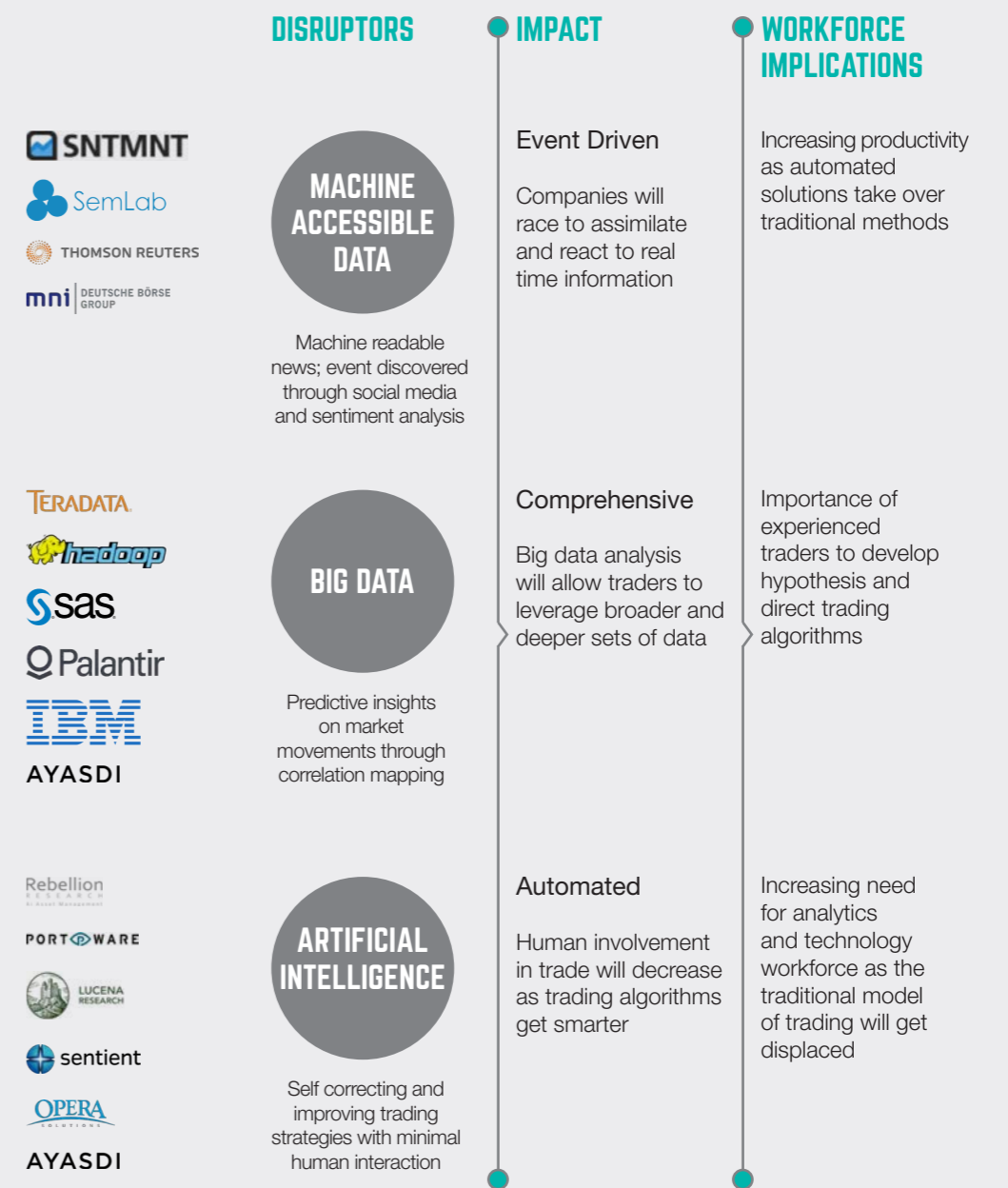
SOURCE: COMPANIES ANNUAL REPORTS, SEBI & AMFI LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

DISRUPTORS ARE DEMOCRATIZING FINANCIAL SERVICES

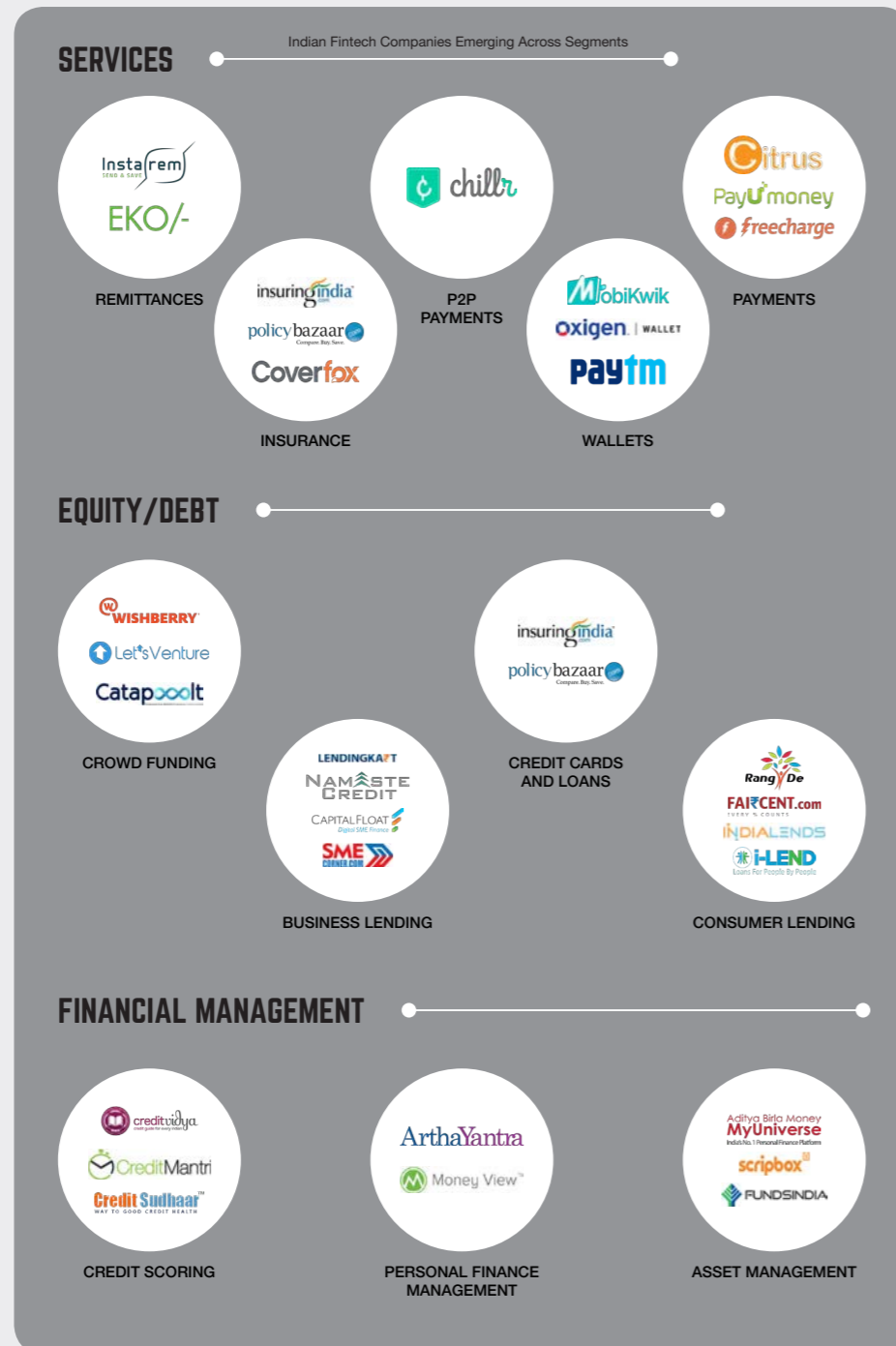


Automation and centralisation is likely to shrink the operations function across the investment space, which would necessitate large-scale reskilling of operations workforce on digital processes, software and tools

SMARTER AND FASTER MACHINES WILL PROPEL ALGORITHMIC TRADING



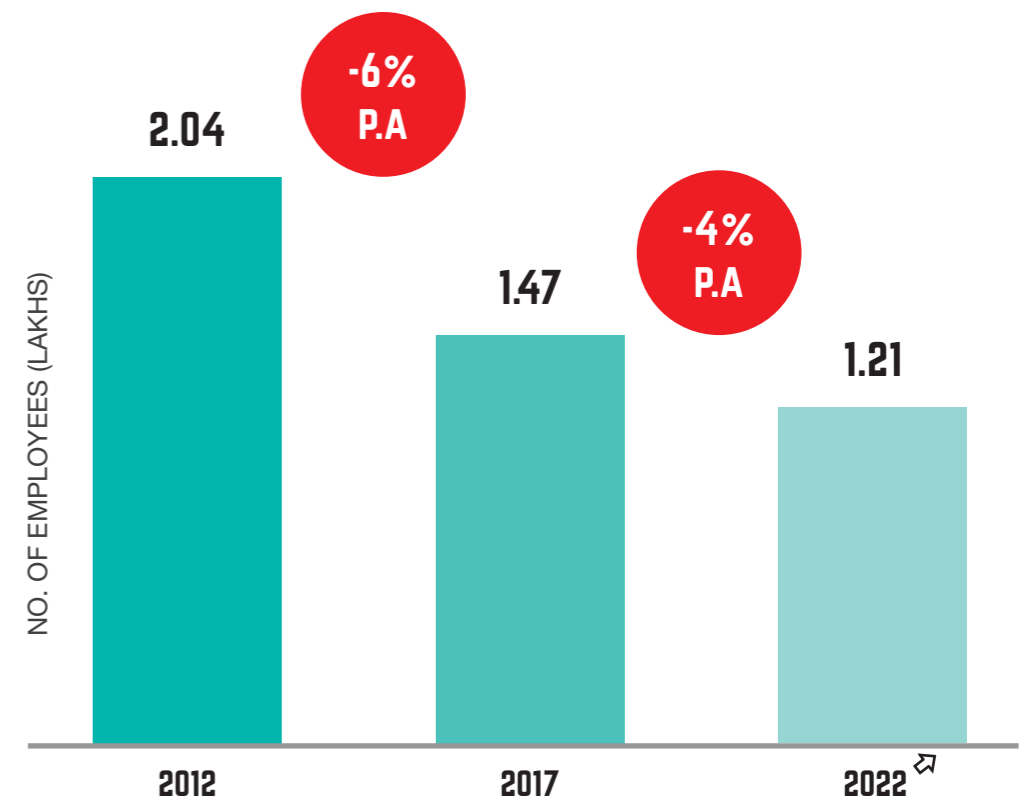
TECHNOLOGY AND DATA ARE AT THE HEART OF THIS



SOURCE: FINTECH INDIA, MXV INTERVIEWS, ANALYSIS AND MAPE ADVISORY

IN SOME CASES, THESE TRENDS ARE ALREADY HURTING INCUMBENTS

EXAMPLE: BROKING



TRENDS

- Discount broking platforms have altered the revenue structure of the industry, leading to large scale consolidation
- Brokers and sub-brokers have been steadily declining over the past few years due to:

Centralization of traders/dealing rooms and operations	Reduction in branch networks as most traditional brokers now have sophisticated web platforms and mobile apps	Retail outlets being unable to compete on costs and shutting shop	Tech-savvy consumers taking to low-cost online platforms
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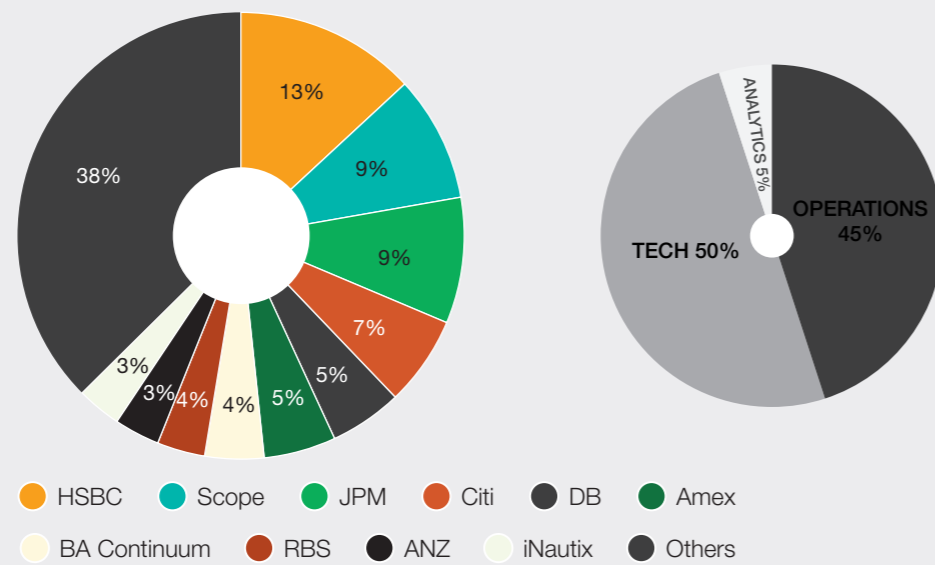
Note: Numbers include brokers and sub-brokers

SOURCE: SEBI, NSE, BSE, EPFO, MXV INTERVIEWS AND ANALYSIS

BFSI CAPTIVE BACK OFFICES HAVE EMERGED AS SIGNIFICANT EMPLOYERS OF FINANCIAL SERVICES PROFESSIONALS

EMPLOYEES IN 2016: 2 LAKH

TYPE OF WORK



THE ROAD AHEAD

⚡ Disruption

- GICs as R&D labs for creating new enterprise-wide digital processes
- Leverage start-ups for mobility solutions, BI, cyber security, customer experience, etc.
- Leverage external innovation ecosystem

🏢 Business Models

- GICs setup to bring in new capabilities to their global portfolio
- Enabling local market expansion for parent firm and managing strategic partnerships
- New centres will be setup as multi-function centres leading to increase in hybrid GICs
- RPA adoption built into the operating model for GICs

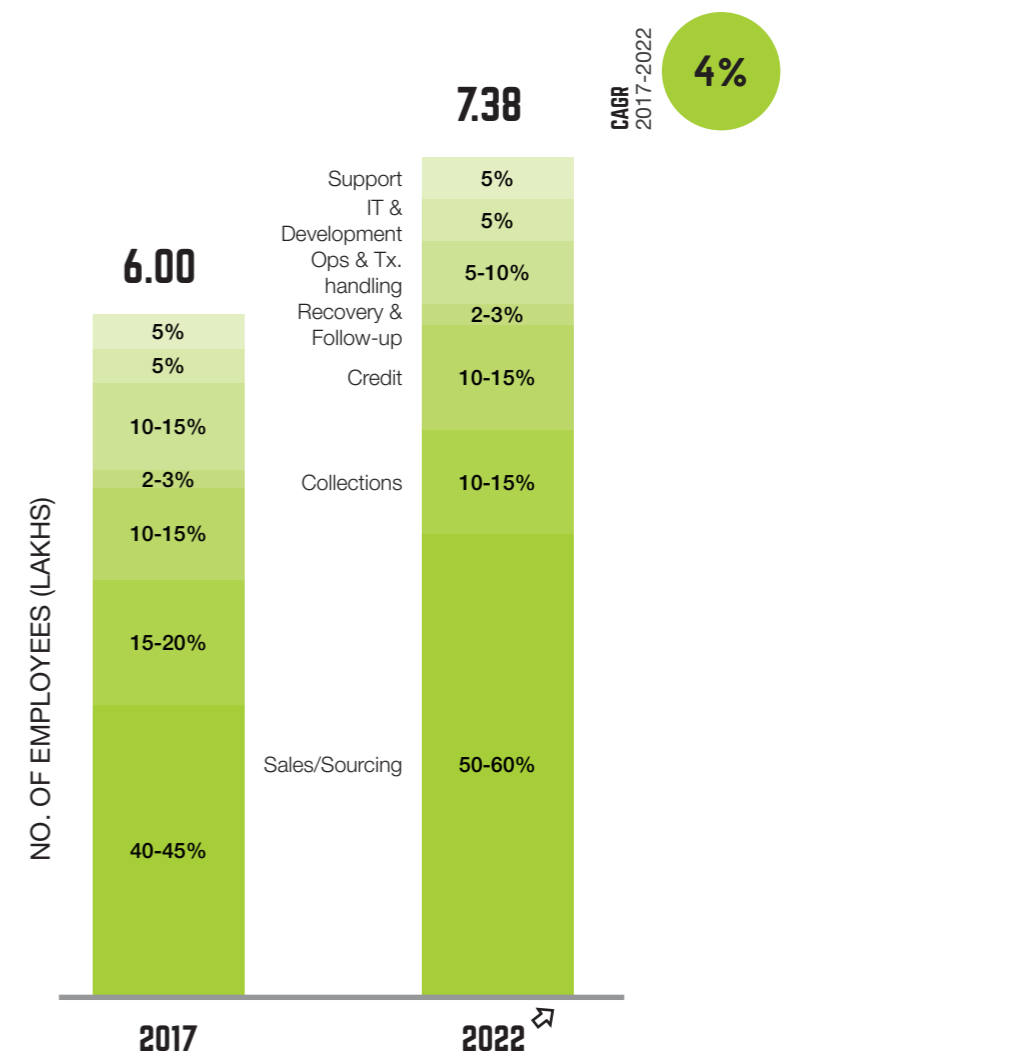
👤 Workforce Implications

- Demand for niche talent - F&A, ER&D, analytics
- Set up CoEs for digital tech (analytics, IoT, AI)
- Partner with niche players and platforms to develop digital capabilities rapidly

Note: GICs - Global in-house Center

SOURCE: NASSCOM, LITERATURE REVIEW, MXV INTERVIEWS AND ESTIMATES

THE WORKFORCE ACROSS NBFCs* IS EXPECTED TO GROW AT 4%



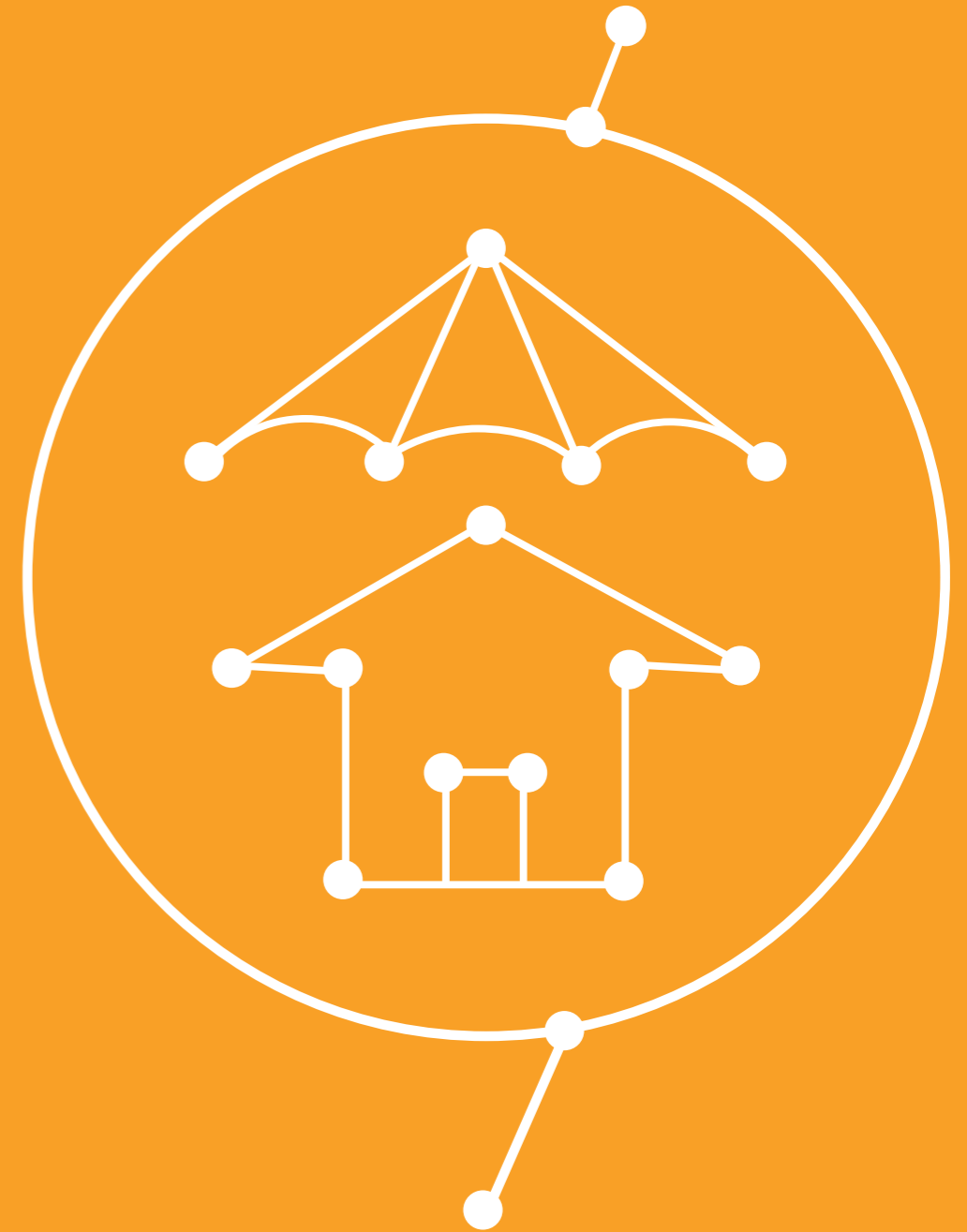
- Share of sales or sourcing team expected to rise because of aggressive business expansion plans esp. in rural markets. FoS force is expected to grow, making product development and marketing skills important modes of differentiation.
- Score-cards being used to develop rule-based credit approval process for consumer durables, 2 wheeler loans, car loans, etc.
- Credit function workforce is expected to continue to grow despite productivity gains. Push for customer acquisition in rural and semi-urban areas will require credit function to continue to be manual, direct and personal.

* NBFCs other than AMCs and Broking companies

SOURCE: RBI, COMPANIES ANNUAL REPORTS, EPFO, LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS



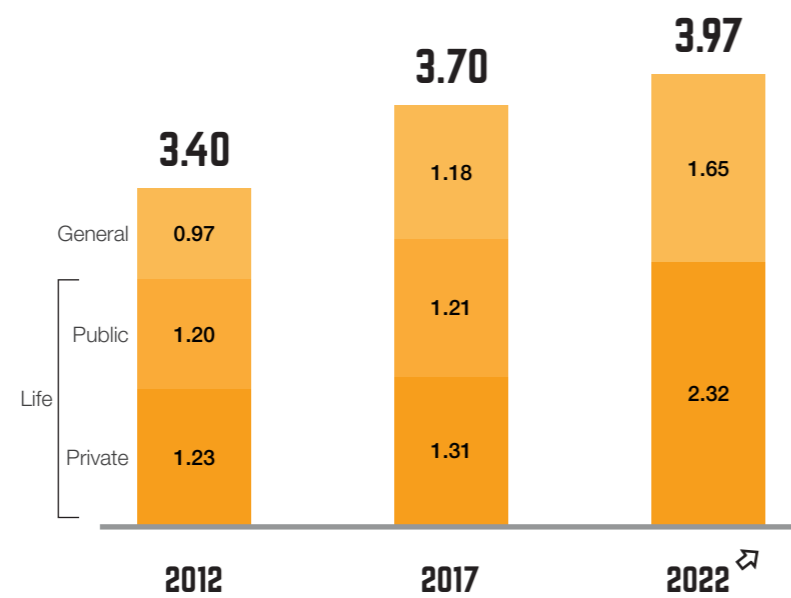
WORKFORCE PROJECTIONS 2017- 2022



INSURANCE

INSURANCE WORKFORCE GROWING. GENERAL INSURANCE TO BE A KEY CONTRIBUTOR

ON-ROLL EMPLOYEES ACROSS INSURANCE COMPANIES (LAKHS)



ALL INSURANCE SEGMENTS ARE EXPECTED TO SHOW ROBUST GROWTH IN PREMIUMS

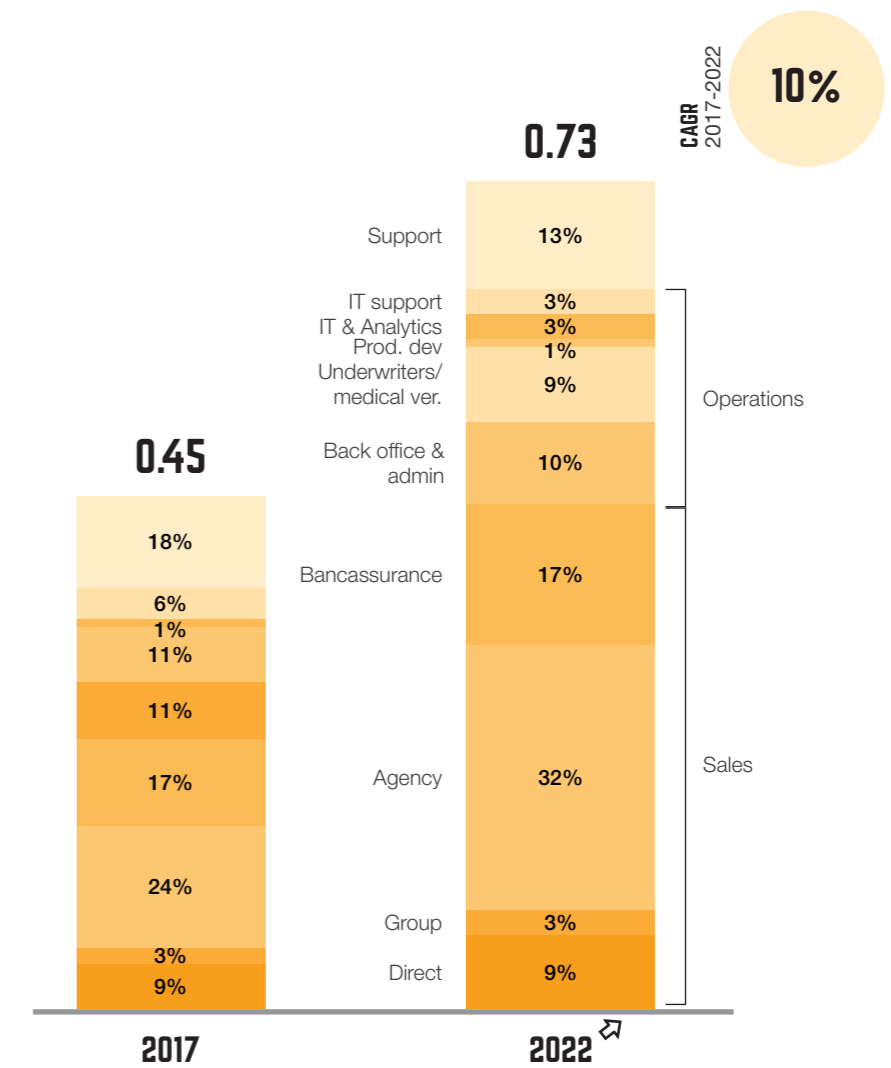
Corresponding on-roll workforce growth will depend on:

- Changes in product penetration levels
- Automation levels
- In-house salesforce vs. 3rd party sales tie-ups
- Outsourcing strategies for other roles (esp. claims processing and back-office support)

Note: Includes only on-roll employees across insurance companies. Does not include workforce associated with agent network and third-party agencies that take on outsourcing work

HEALTH INSURANCE IS A RAPIDLY GROWING SEGMENT

ON-ROLL EMPLOYEES IN HEALTH INSURANCE (LAKHS)

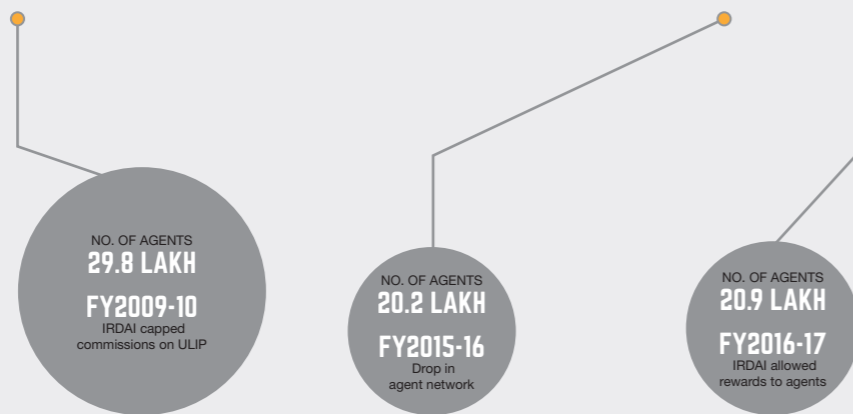
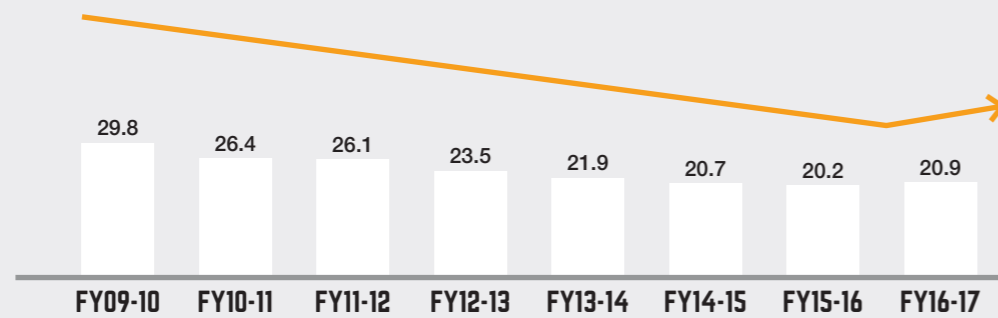


Majority of the workforce growth will be driven by sales force expansion

Note: Includes only on-roll employees across insurance companies. Does not include workforce associated with agent network and third-party agencies that take on outsourcing work

AGENT NETWORK EXPECTED TO REMAIN STABLE

LIFE INSURANCE AGENTS EMPLOYED IN THE INDUSTRY FROM FY2009-10 TO FY2016-17 (LAKHS)



The current insurance workforce is individual agent driven, especially for retail products. The traditional Indian customers expect face-to-face interaction with the company representative before purchasing a policy.

The lack of awareness and limited trust among the customers make the role of agent more important.

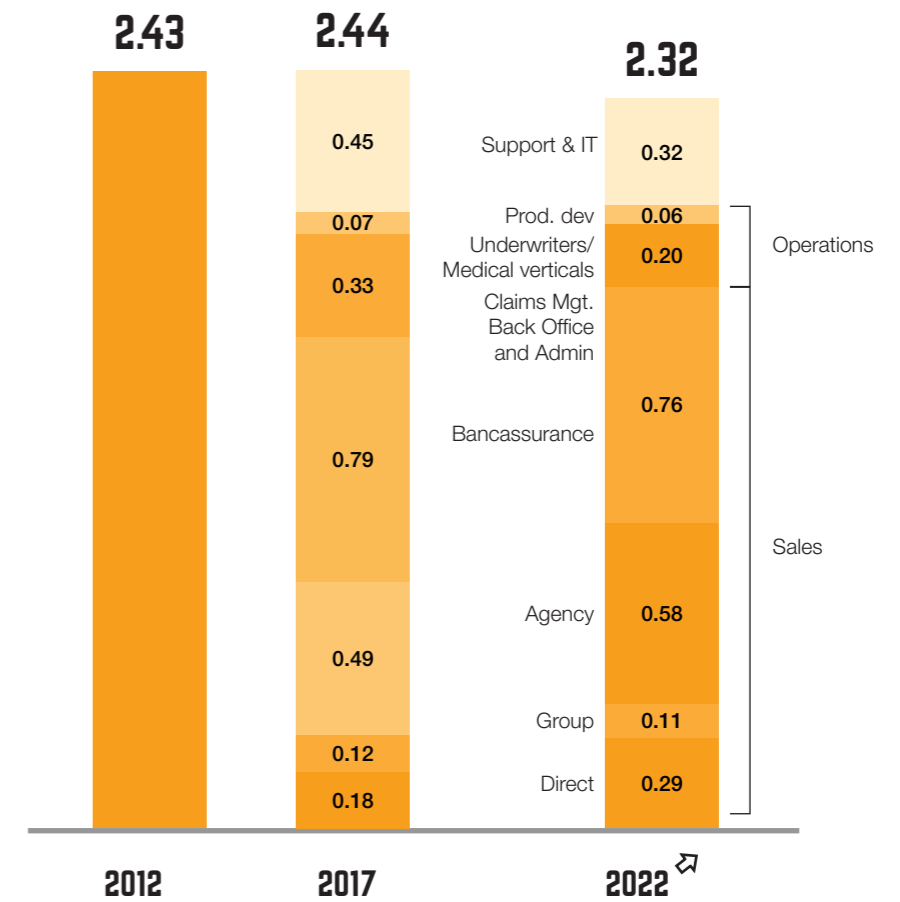
IRDAI intervention in 2010, capping individual agents' commission was followed by a decline in new agents coming to the system. In 2016, the exposure draft by IRDAI, allowing insurance providers to reward agents, should lead to more agent renewing their licenses, as well as addition of first time entrants.

As the industry matures, the share revenue from brokers and IFAs tend to dominate. Insurance Marketing Firms (IMF) are also gaining traction and will encourage entrepreneurship, and therefore the ability to sell other products. Common Service Centres (CSC) will encourage rural entrepreneurship and allow insurers to access remote areas through Village Level Entrepreneurs.

SOURCE: IRDAI

LIFE INSURANCE WORKFORCE IS LIKELY TO BE RECONSTITUTED

ON-ROLL EMPLOYEES IN LIFE INSURANCE (LAKHS)



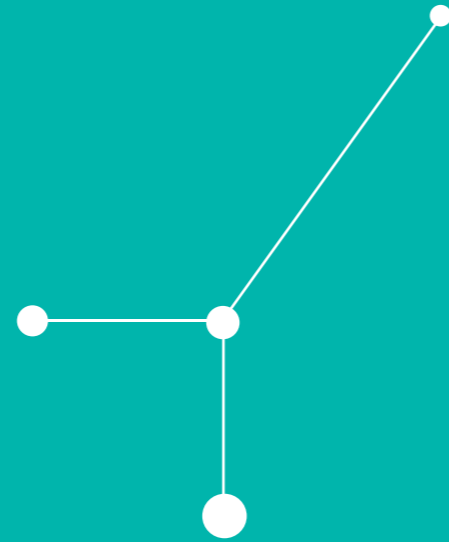
Business growth will be offset by automation, productivity gains and outsourcing

Note: Includes only on-roll employees across insurance companies. Does not include workforce associated with agent network and third-party agencies that take on outsourcing work

SOURCE: COMPANIES ANNUAL REPORTS, IRDAI, IBEF, LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

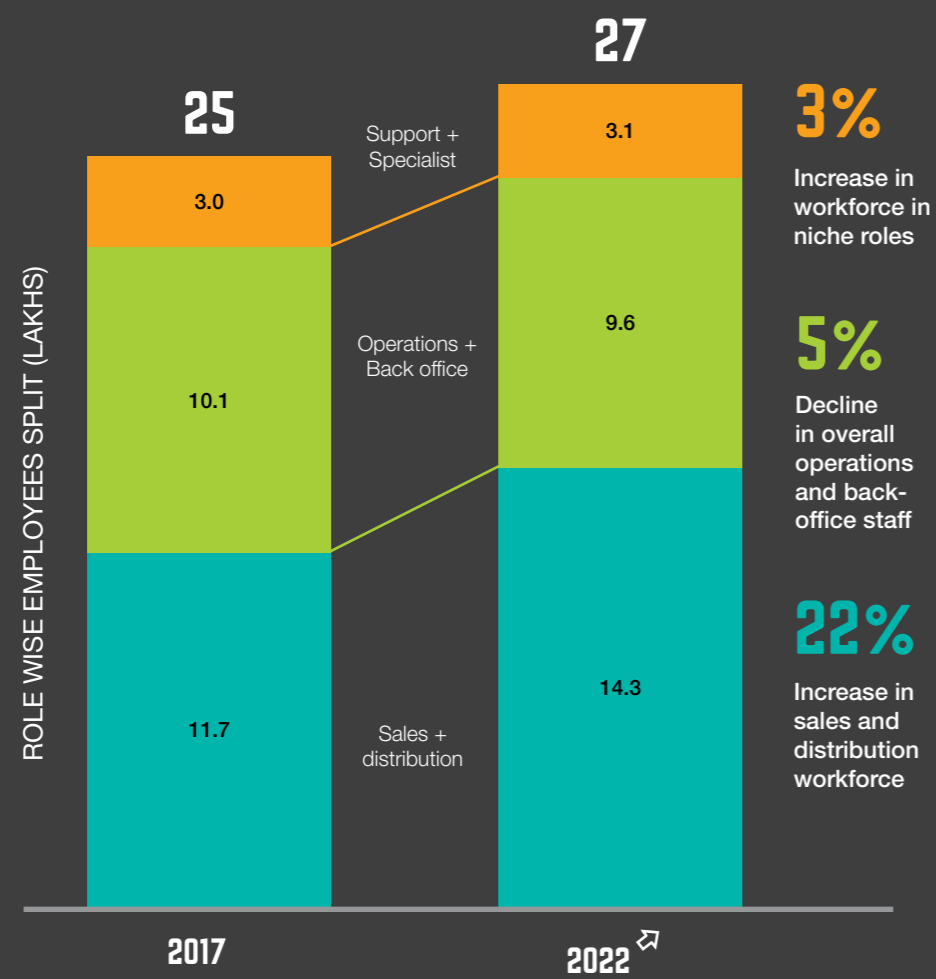
THE DEMAND STORY

Evolution of Organizations and Roles 2022²⁷



★ EVOLUTION OF ORGANIZATIONS AND ROLES THROUGH 2022

The challenges of the workforce growth from 25 lakh in 2017 to 27 lakh in 2022, will be augmented by significant evolution of roles...



Note: For banking, credit and risk related roles have been included under operations function

SOURCE: LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

★ 3 WORKFORCE TRENDS DRIVEN BY EVOLUTION OF ROLES

...which is leading to 3 key workforce trends

#3
NICHE SKILLS: THE NEW GAME CHANGERS

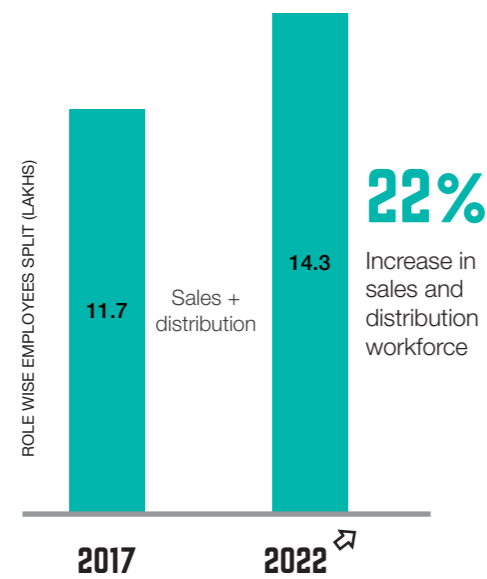
#2
THE CHANGING FACE OF OPERATIONS: DIGITALLY SAVVY PROBLEM SOLVERS

#1
SALES CONUNDRUM: INCREASING DEMAND BUT LIMITED SUPPLY

#1 THE SALES CONUNDRUM: INCREASING DEMAND BUT LIMITED SUPPLY

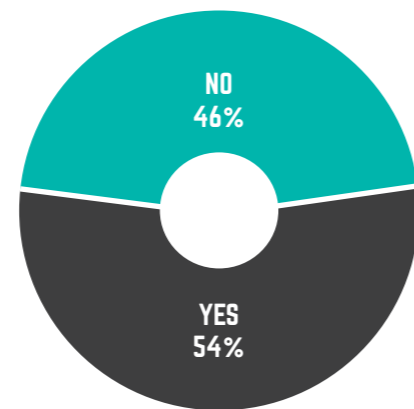
DEMAND FOR SALES SKILLS IS THE HIGHEST...

The graph below shows growth in sales and distributions

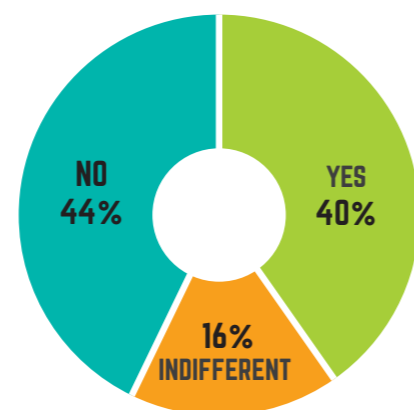


...HOWEVER THE SUPPLY CHAIN IS MOST CONSTRAINED FOR SALES

Interest in BFSI as a career (N = 951)



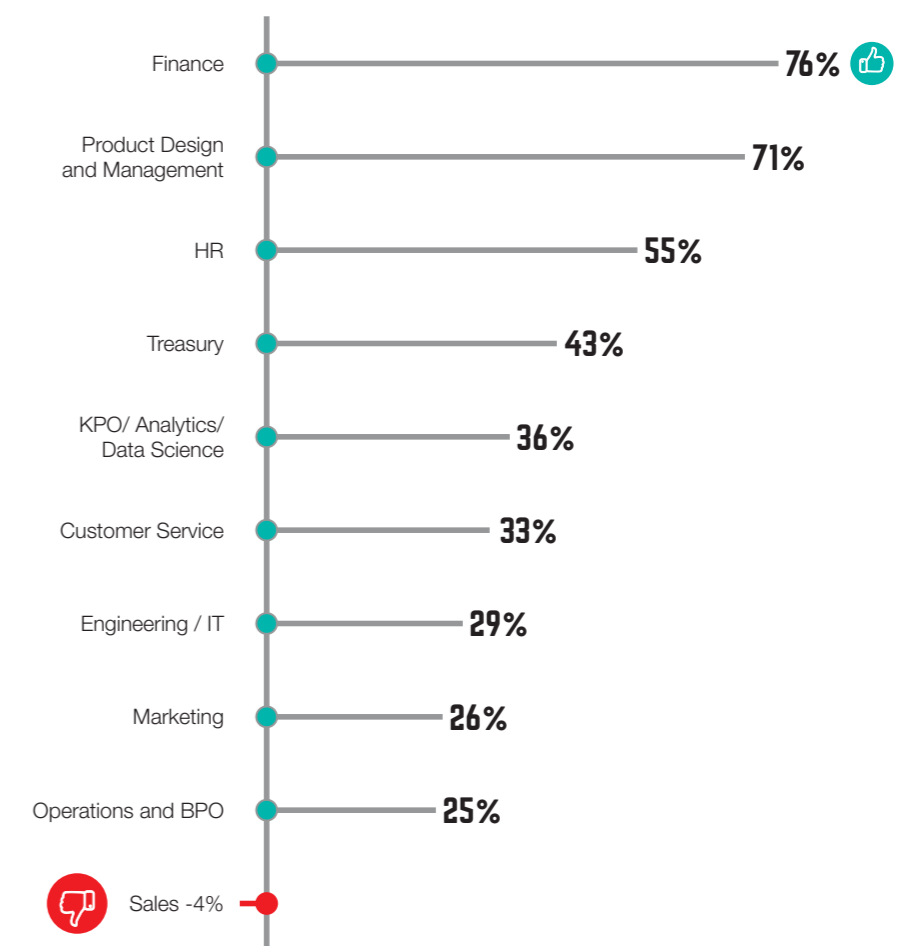
Interest in sales roles within BFSI



60% of those willing to join BFSI, do not show willingness to join sales roles

SALES IS THE LEAST POPULAR ROLE

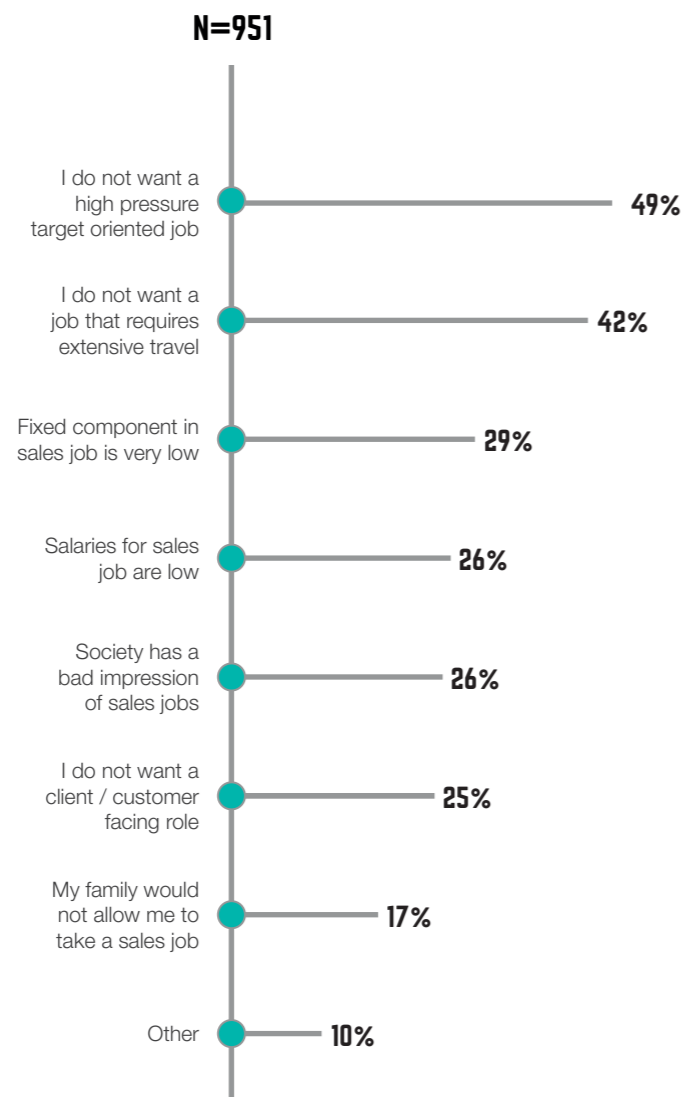
NET PROMOTER SCORE (LIKES-DISLIKES)



“ There is a lot of convincing required which needs to be done by all industries together to make sales an important function and an authentic career option. *Insurance Sector Expert* ”

SEVERAL FACTORS CONSTRAIN SALES SUPPLY

HIGH TARGET PRESSURE AND TRAVEL DISCOURAGE RESPONDENTS FROM JOINING SALES IN BFSI



“ Qualified people do not like to work in sales. Ego issues and societal perceptions are also a big barrier BFSI Sector Expert ”

THE CHANGING SALES JOURNEY



Banks need to understand who their customers would be in next 5 years. Customer profile will change drastically

Private Sector Banker

Customer Journey has changed, Sales Journey need to evolve accordingly

Insurance Sector Expert



TRENDS

Digitisation has upped the skill bar for sales jobs

Products are becoming more dynamic

Distribution led sales roles in B-15 cities is growing

Expectation to have a sales mindset across the board – even HR, Finance and Operations

IMPACT

Sound product knowledge and relationship management skills would be the hallmarks of the new age sales professionals

Sales force should be able to process multitude of information on the fly (on products as well as customer profiles)

Sales talent in B-15 cities would have to drive customer acquisition through customer search, giving product information and handholding the customer through the awareness to conversion cycle

Shifting from cost center mind-set, organisations expect all individuals including people in HR, finance and other support functions to understand companies' products and evangelise the products

IMPLICATIONS

Relationship building through day - to-day transaction interface becoming non-existent

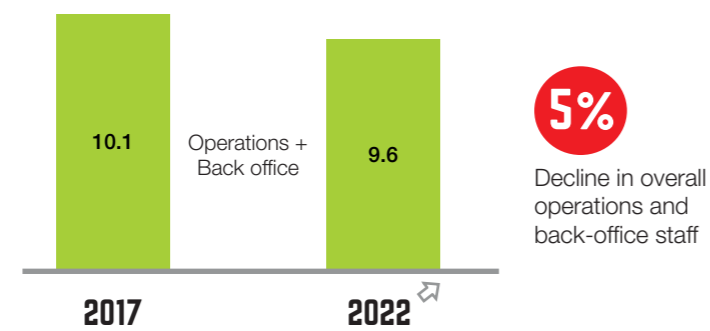
Sales force no longer expected to be only product information custodians, but should act like financial consultants

Customers will no longer care if you are ex sales or operational executive. They just want their experience to frictionless

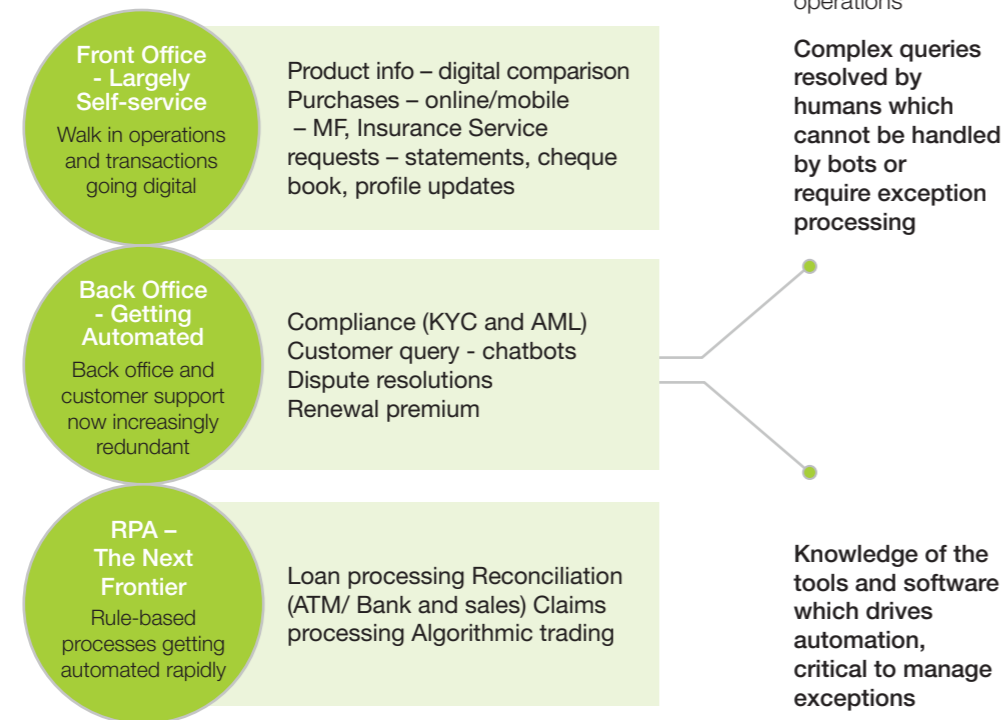
Siloed operations where only sales people are expected to sell are ceasing to exist

#2 THE CHANGING FACE OF OPERATIONS: DIGITALLY SAVVY PROBLEM SOLVERS

DIGITISATION AND ROBOTIC PROCESS AUTOMATION (RPA) ARE CHANGING THE OPERATIONS LANDSCAPE



SOME EXAMPLES OF TRANSACTIONS



⚙️ AUTOMATION AND DIGITIZATION ARE LEADING TO RATIONALIZATION OF OPERATIONS ROLES

The impact of digitalisation is most felt in operations - the largest productivity gains have come from the conversion of repetitive, manual tasks into digital models and automating the processes.

Operating models across product lines are changing, as digital disruptors are competing at new cost structures. The disruptors have a step-function cost advantage over the incumbents due to their digital-first mode of operations. The industry incumbents are gradually but steadily digitising operations to fend off the disruptors.



While branch banking as a concept will undergo a sea change, the skills required in a bank branch will also change considerably

Private Sector Banker

How do we integrate the wisdom of the current experience of sector workforce with the technology of millennials should be our focus. Both of these have seen different economic cycles

Private Life Insurance

Automation is decimating Back offices

BFSI Sector Expert



Front office and back office processes have been the low hanging fruits for automation

Front office automation is driven by customers' demand for convenience. Most of the product information, purchase and service transactions have moved online; thereby reducing branch walk-ins and customer support calls

The digitisation of the eco-system with Aadhaar enabling e-KYC, widespread push for adoption of e-payment systems has triggered widespread decimation of the back office. Workforce in central processing centres (CPCs) is expected to decline by 25%-30% over the next few years



RPA is the next frontier that the incumbents need to scale

Digital-first disruptors use advanced machine learning and AI techniques to automate end-to-end process

Tougher to execute for incumbents with large legacy IT infrastructure, but gaining momentum e.g., many banks are testing Natural Language Processing for research advisories for wealth solutions



Workforce Implications

Most incumbents are likely to execute back office and front office digitisation within the next 5 years. The impact is visible in workforce projections – with as much as 15%-20% reduction in certain back-office roles over the next 5 years

RPA likely to be executed primarily by the more digitally-savvy incumbents. Benefits would take longer to realise

#3 NICHE SKILLS: THE NEW GAME-CHANGERS



IMPACT OF DIGITISATION AND AUTOMATION ACROSS DIFFERENT DISCIPLINES

Integrated omni-channel experience (Web, mobile, offline)	Digital marketing for customer acquisition	Automated service requests, digitised processes (e.g., KYC)	Move from legacy systems to flexible IT infrastructure	Digitally-first product proposition (e.g. discount broking)
Customer-centric experience (UI/UX)	Digital marketing operations (e.g. automated offers)	Automation of rule-based processes (e.g. underwriting, loan processing)	Agile delivery mechanism	Lower costs disrupting traditional business models

PROCESSES WITH GREATER ADOPTION OF BIG DATA, ANALYTICS, MACHINE LEARNING

Customer engagement	Lead generation, customer segmentation	Customer Dispute Resolution	Fraud detection and cyber security	InsureTech, alternative lending, investment solutions
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“ Definition of Generalists and Specialists will undergo a change *Private Sector Banker* ”

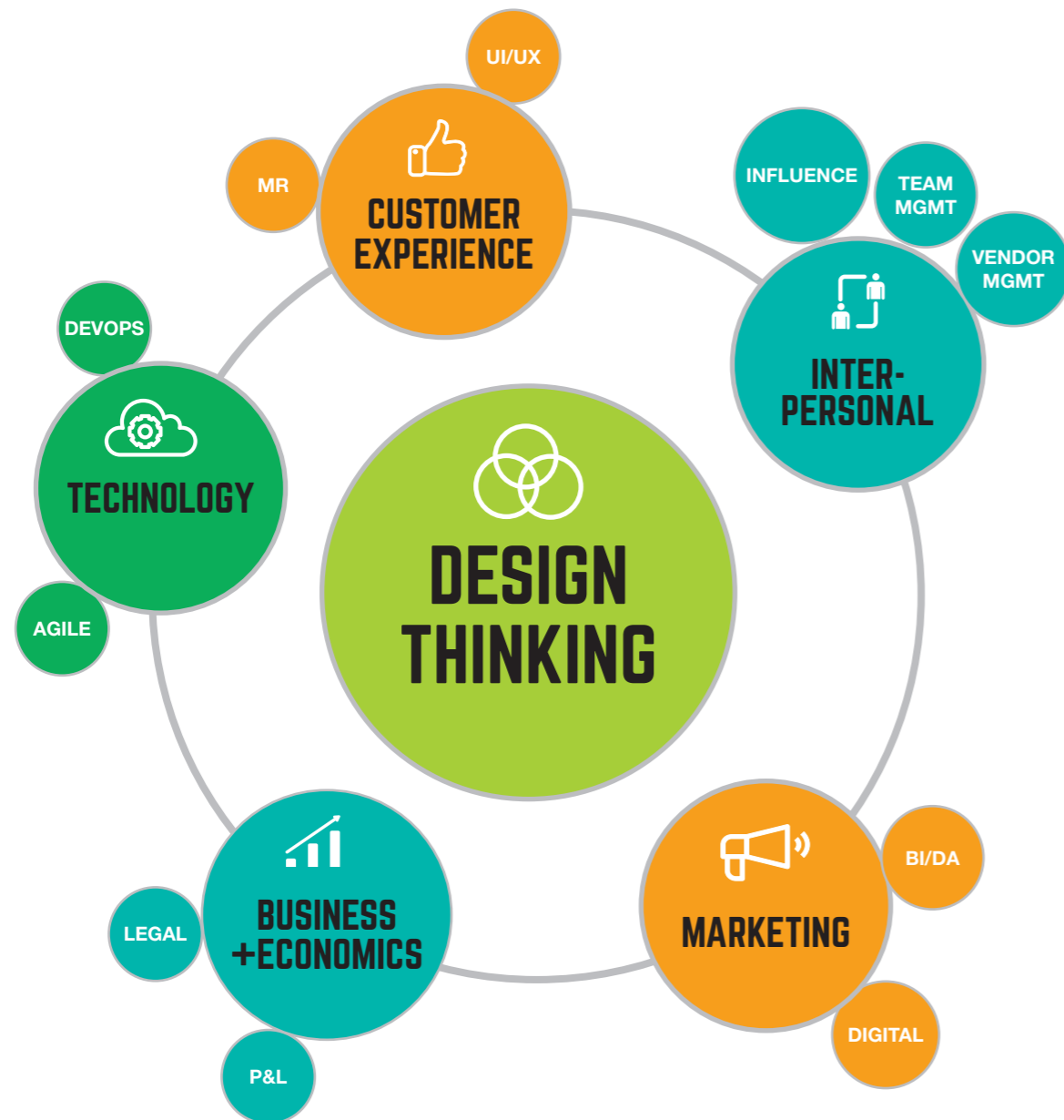
SOURCE: LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

'DIGITAL' WILL SOON ACCOUNT FOR A THIRD OF TECH SPENDS



SOURCE: LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

PRODUCT MANAGEMENT, FOR INSTANCE, IS BECOMING A HIGHLY COMPLEX ROLE



BUT THE TRENDS ALSO SUGGEST SOME TRICKIER HR QUESTIONS

How do we embrace the growing pace of automation?



- The issues are not new, but the pace is accelerating faster than ever before
- Many industries are facing the same issues
- Addressing these issues is becoming the top strategic priority for many HR organisations



★ THE DEMAND STORY : THE SUM UP

WORKFORCE PROJECTIONS



WORKFORCE GROWTH

The Indian BFSI Sector employed 25 lakh people as of 2017. This is expected to grow to ~27 lakh people by 2022.²⁷



GROSS ADDITION TO BE 4.5-5 LAKH OVER NEXT 5 YEARS

Net employee addition to the sector is expected to be 2 lakh, gross addition to be approx. 4.5-5 lakh over next 5 years.



HOWEVER, HIRING TO BE 4-5 LAKH EVERY YEAR

Given the movement within the sector, gross hiring is likely to be 4-5 lakh every year i.e 20-25 lakh over 5 years.

EVOLUTION OF ROLES

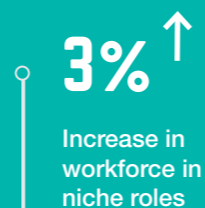
The challenges of hiring 4-5 lakh people every year for next 5 years, will be augmented by significant evolution of roles...



Increase in sales and distribution workforce



Decline in overall operations and back-office staff



Increase in workforce in niche roles

★ 3 WORKFORCE TRENDS DRIVEN BY EVOLUTION OF ROLES



#1

SALES CONUNDRUM

Increasing Demand but Limited Supply



#2

CHANGING FACE OF OPERATIONS

Digitally Savvy Problem Solvers



#3

NICHE SKILLS

The New Game Changers

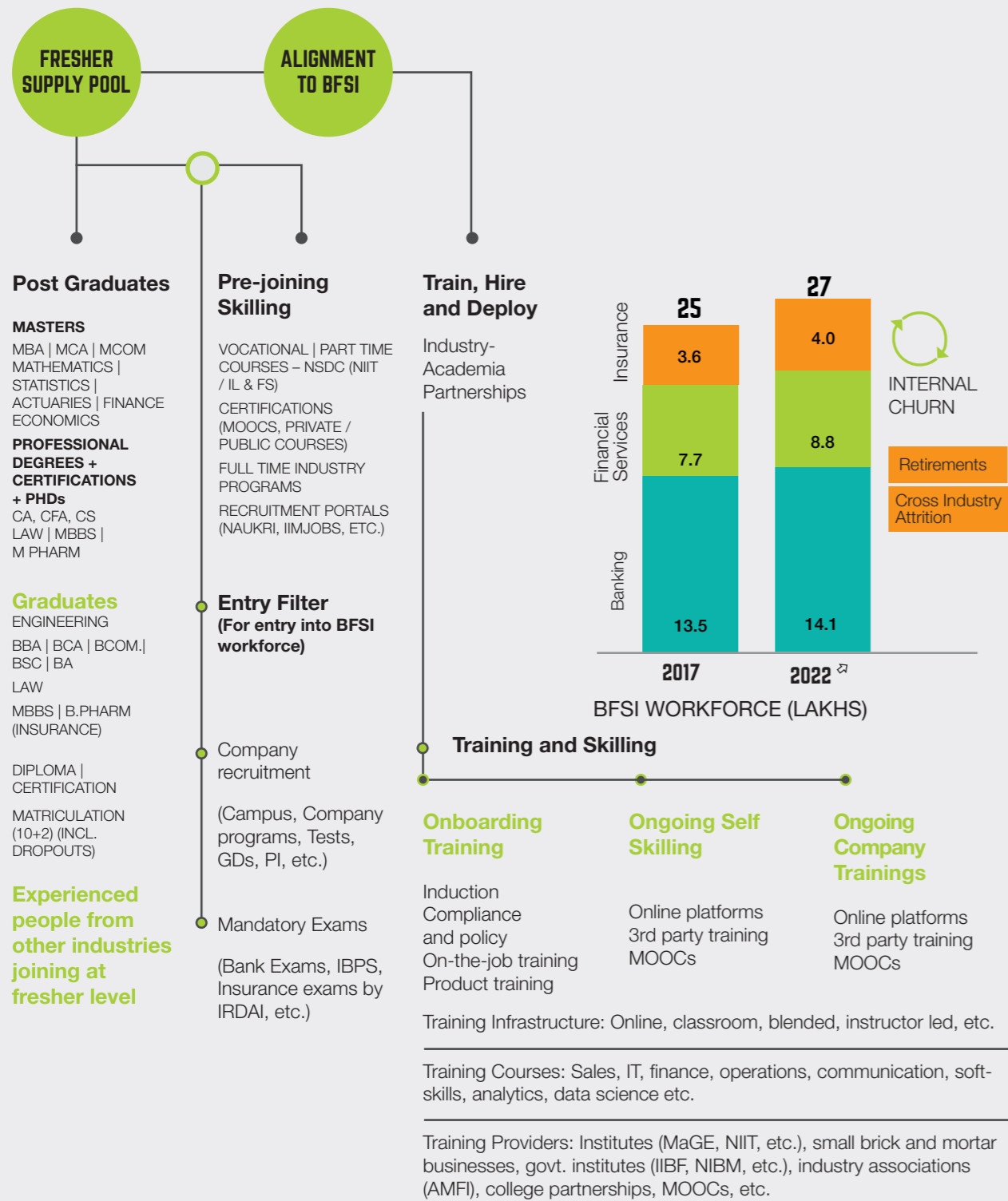
THE SUPPLY STORY

Current Supply Scenario
Large talent pool, but low availability

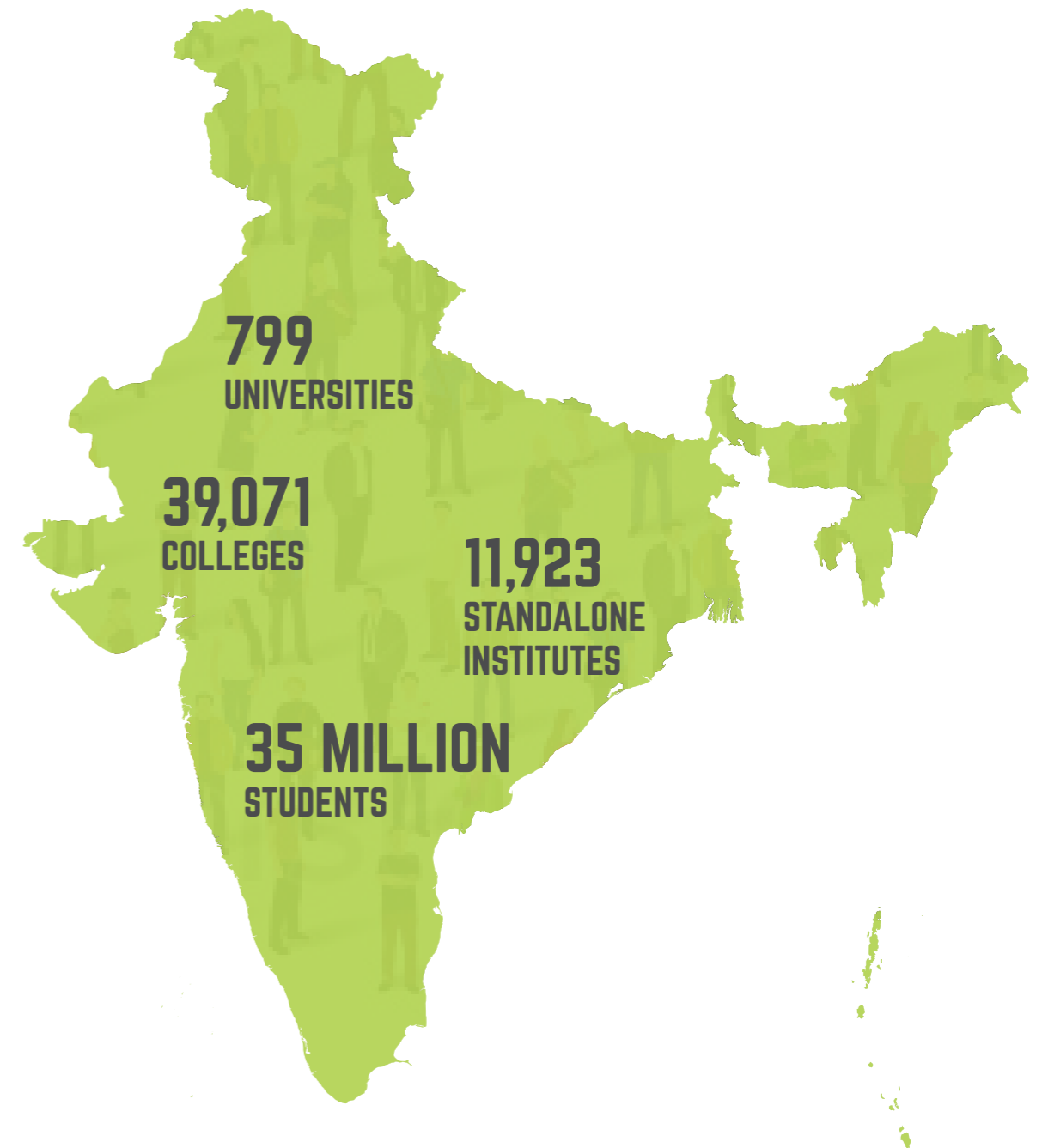
Supply Challenges
Low awareness and interest in BFSI Sector



BFSI SECTOR TALENT SUPPLY CHAIN: AN OVERVIEW



WATER, WATER EVERYWHERE...

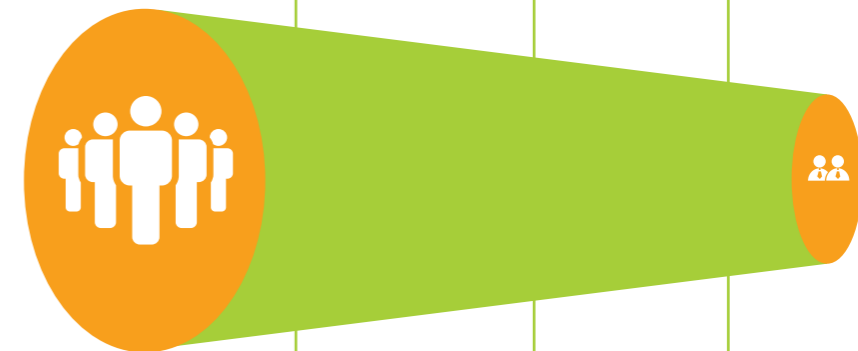




👁️ LARGE TALENT POOL, BUT LOW AVAILABILITY

SUPPLY-DEMAND MISMATCH

LARGE SUPPLY POOL
Diverse qualifications
Diverse disciplines

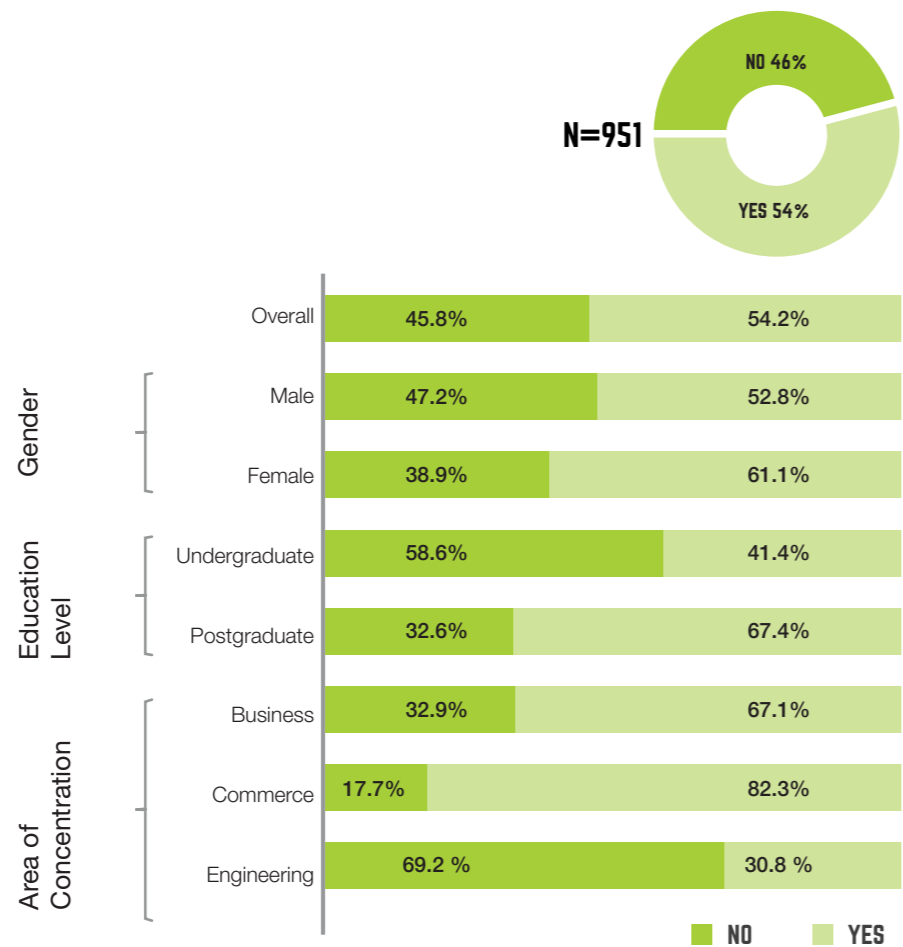


SMALLER POOL OF POTENTIAL EMPLOYEES

- Lack of interest or awareness in BFSI sector
- Employability issues
- High attrition levels especially among sales staff
- Geographical mismatch and job placement issues
- Compliance requirements
- Employee reskilling and redeployment

LARGELY BECAUSE OF LOW INTEREST IN BFSI...

WOULD YOU BE INTERESTED IN WORKING IN THE BFSI SECTOR?



“ BFSI Industry is considered the most visible consumer service, but awareness of the job is not there *Private Sector Banker*

People in Tier 1 cities do not want to work in interior parts of the country and it is a challenge to post people in rural areas. Among people from B-15 areas, several want to work closer to their native place, and quit as soon as they find an offer closer home *Public Sector Banker* ”

...AND ALSO BECAUSE OF LOW AWARENESS

WHY NOT BFSI?

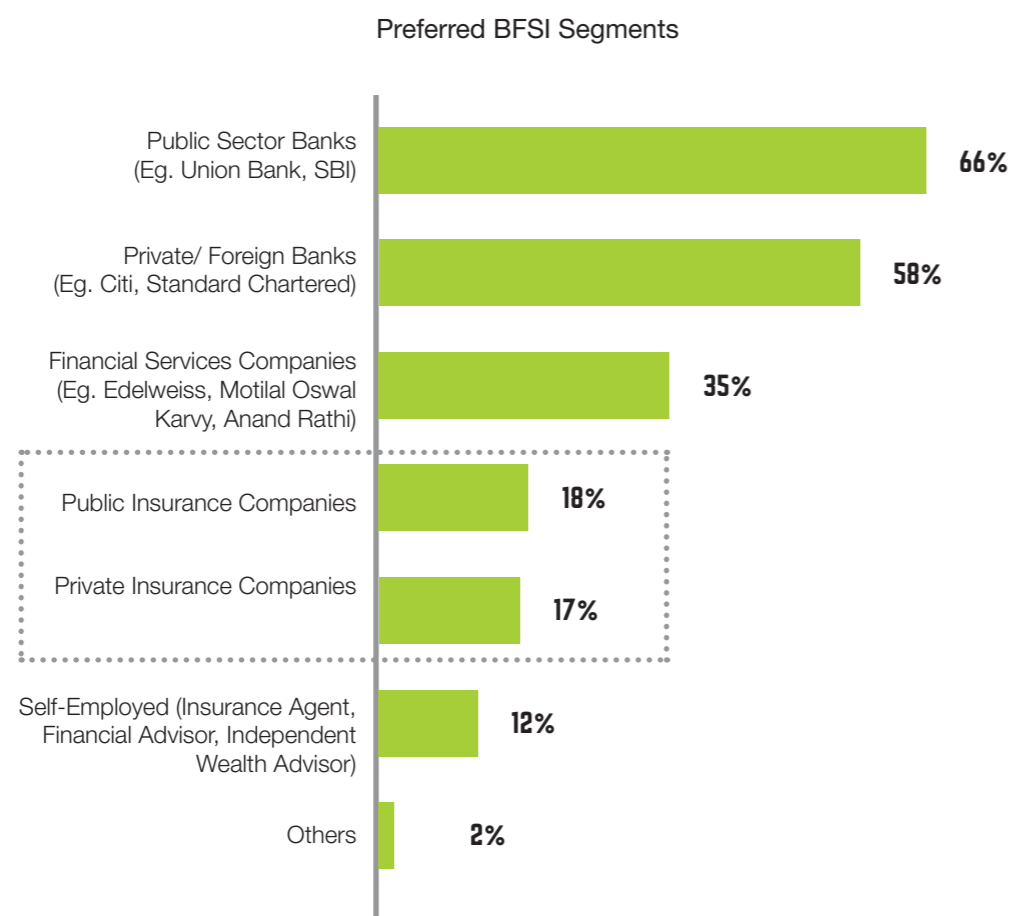


“ Geographical mismatch exists and is a challenge. People in tier 1 cities have alternate career options. Many down in South also have more options because of their focus on academics, so they won't come into banking at the fresher level *Private Sector Banker*

The key reason for several challenges is that the ultimate recruitment (job profile and location) may not be of choice. This has led to 40%-50% of the attrition across the industry *NBFC Expert* ”

THIS IS MORE ACUTE FOR THE INSURANCE SECTOR

LESS THAN 20% RESPONDENTS EXPRESSED INTEREST IN INSURANCE

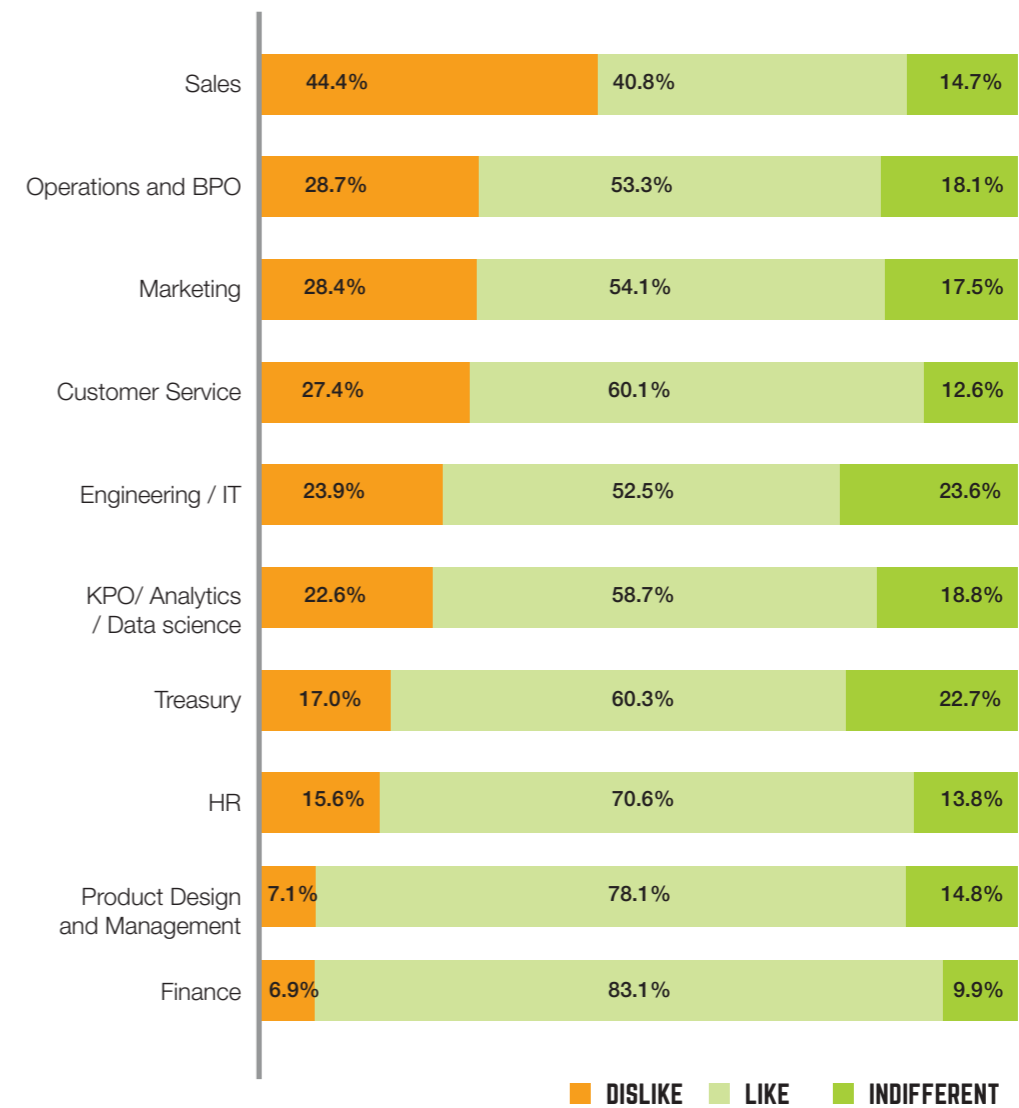


“ Insurance Companies have not been doing enough to spread awareness about the sector, the career opportunities and work profile *Insurance Sector Expert* ”

SOURCE: MXV STUDENT SURVEY

SALES IS THE LEAST POPULAR ROLE, LEADING TO HIGH ATTRITION

SALES IS THE MOST DISLIKED ROLE

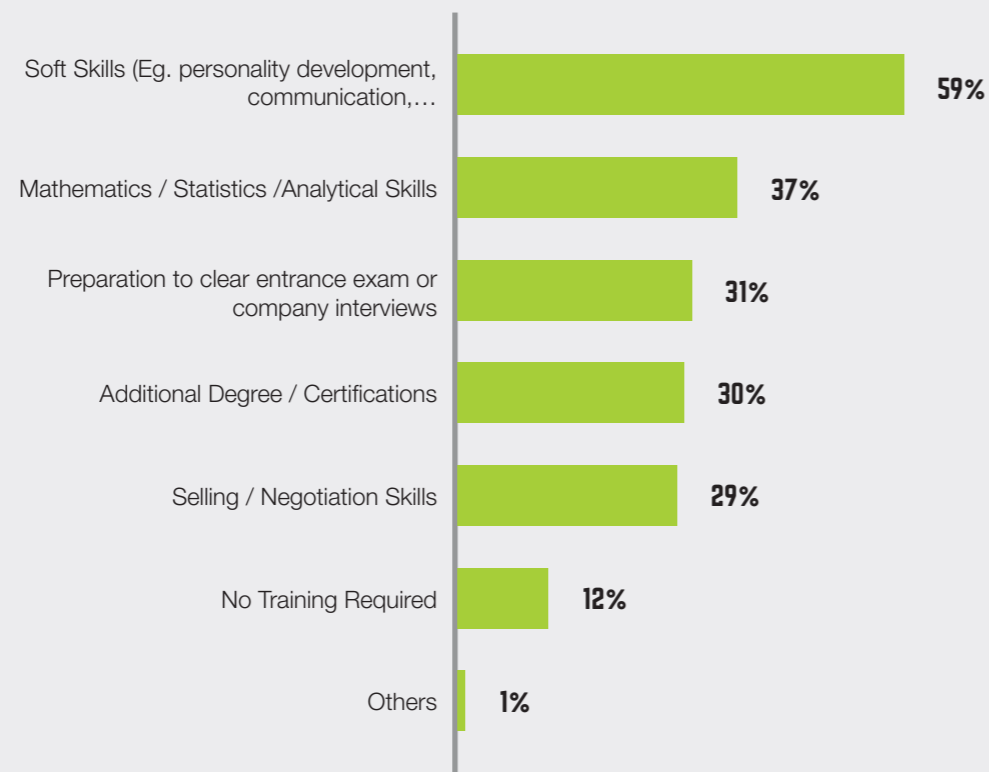


“ Sales roles suffer from a huge image problem ” *NBFC Expert*

SOURCE: MXV STUDENT SURVEY

STUDENTS' UNDERSTANDING OF THEIR SKILL GAPS

ADDITIONAL SKILLS RESPONDENTS NEED TO IMPROVE THEIR JOB PROSPECTS

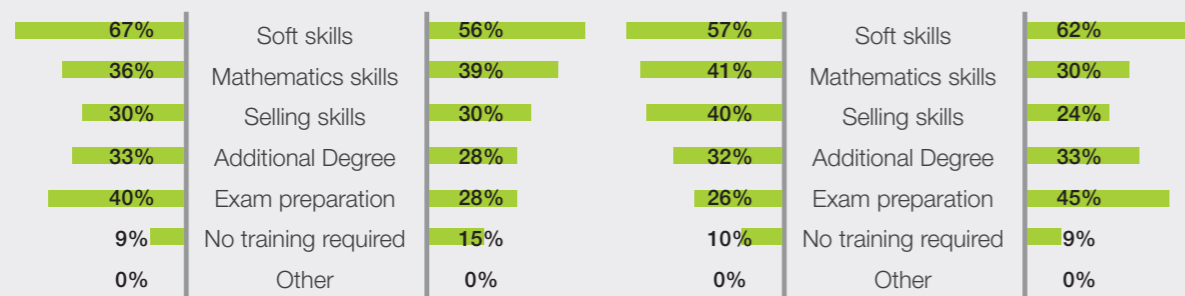


EDUCATIONAL QUALIFICATION

UNDERGRADUATE POSTGRADUATE

AREA OF CONCENTRATION

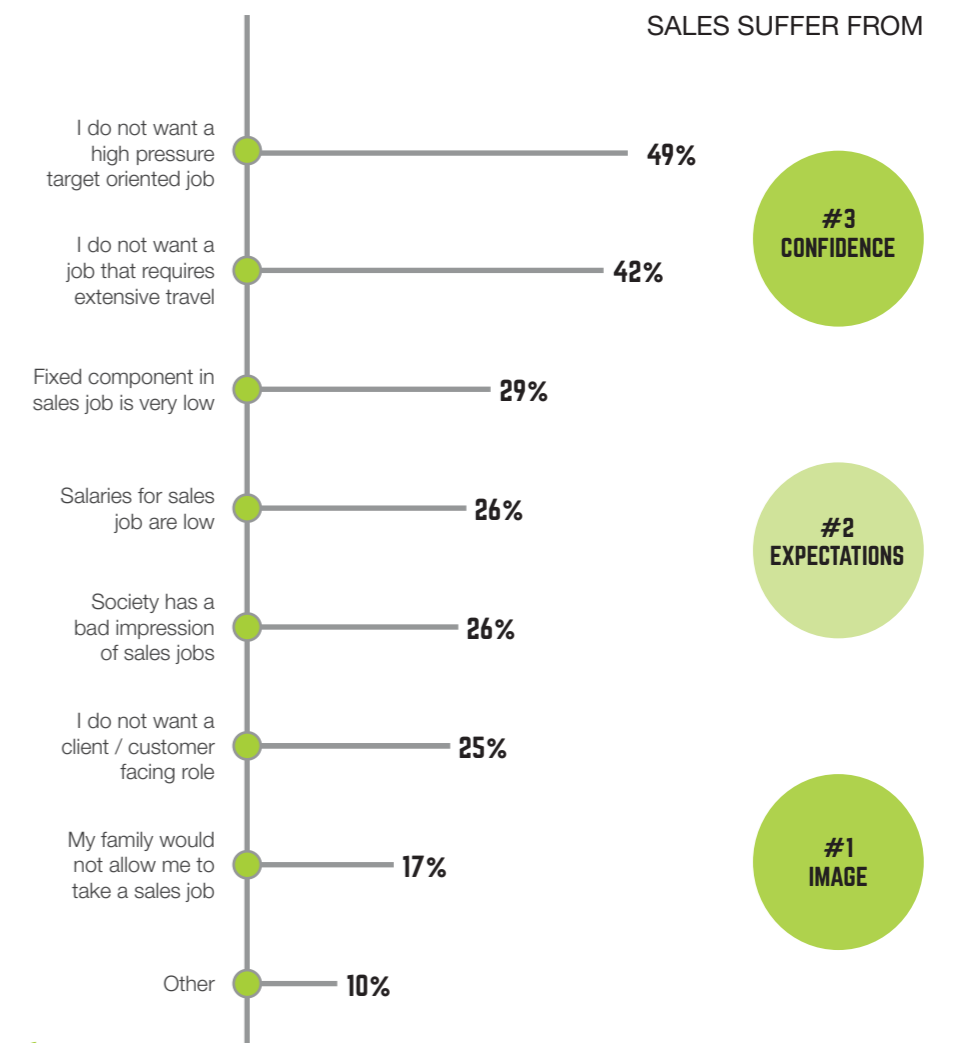
BUSINESS ENGINEERING



SOURCE: MXV STUDENT SURVEY

SEVERAL FACTORS CONSTRAIN SALES SUPPLY

HIGH TARGET PRESSURE AND TRAVEL DISCOURAGE RESPONDENTS FROM JOINING SALES IN BFSI



“ High pressure on targets, with a small window of only 3 months for sales people to start showing results. Employees in other units get more time to settle down *Insurance Sector Expert* ”

It's ok if sales people in B-15 cities don't have excellent English skills, but many people cannot articulate themselves at all *NBFC Expert* ”

SOURCE: MXV STUDENT SURVEY

TALENT FOR NICHE SKILLS IS A KEY SOURCING CHALLENGE...

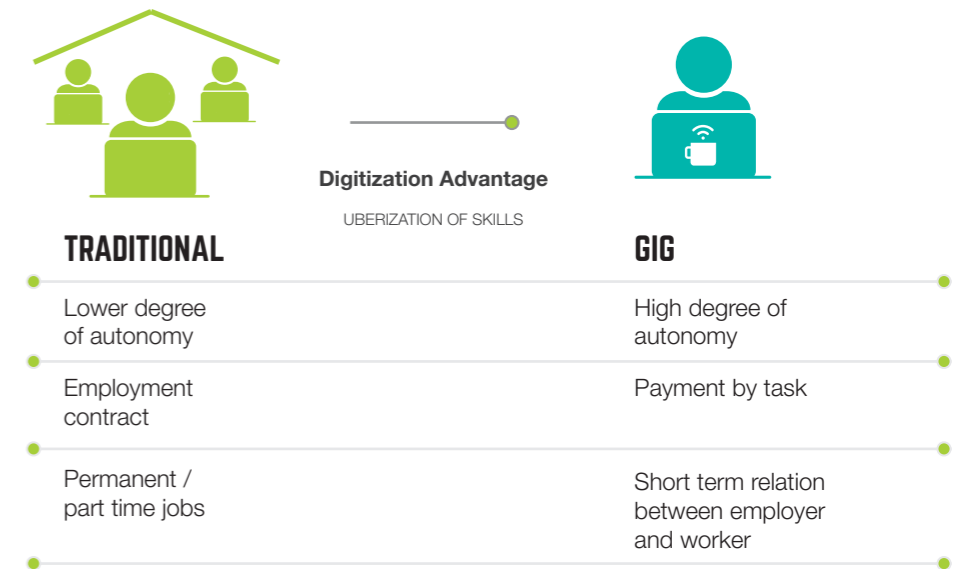
ROLES WITH POOR TALENT AVAILABILITY



“ Most degrees provide general education, but not niche skills development. There are not many programs for audit and inspection for example *Private Sector Banker* ”

SOURCE: LITERATURE REVIEW, MXV ANALYSIS

WITH THE EMERGENCE OF THE GIG ECONOMY, SOME OF THE BEST TALENT MAY ANYWAY NOT BE AVAILABLE



WORKFORCE USING DIGITAL PLATFORMS (2016)

UPWORK	12.5 MN	UBER	1 MN
GURU	2 MN	AIRBNB LISTINGS	2.5 MN
FREELANCER COM	>18 MN	CROWDFLOWER	5 MN
WILTMART	7 MN	ETSY	1.7 MN

“ Will individuals prefer full time employment in next 10 years or more of assignment based? If the latter, how should an organisation evolve? What should be the organisation and team structures? *Insurance Sector Expert* ”

SOURCE: LITERATURE REVIEW, ET AND MCKINSEY

IN ADDITION THE SECTOR IS ALSO CHALLENGED BY RE-SKILLING AND REDEPLOYMENT REQUIREMENTS

INDUSTRY EXPERTS ACKNOWLEDGE THAT REDEPLOYMENT OF PEOPLE AND RESKILLING IS A KEY IMPERATIVE

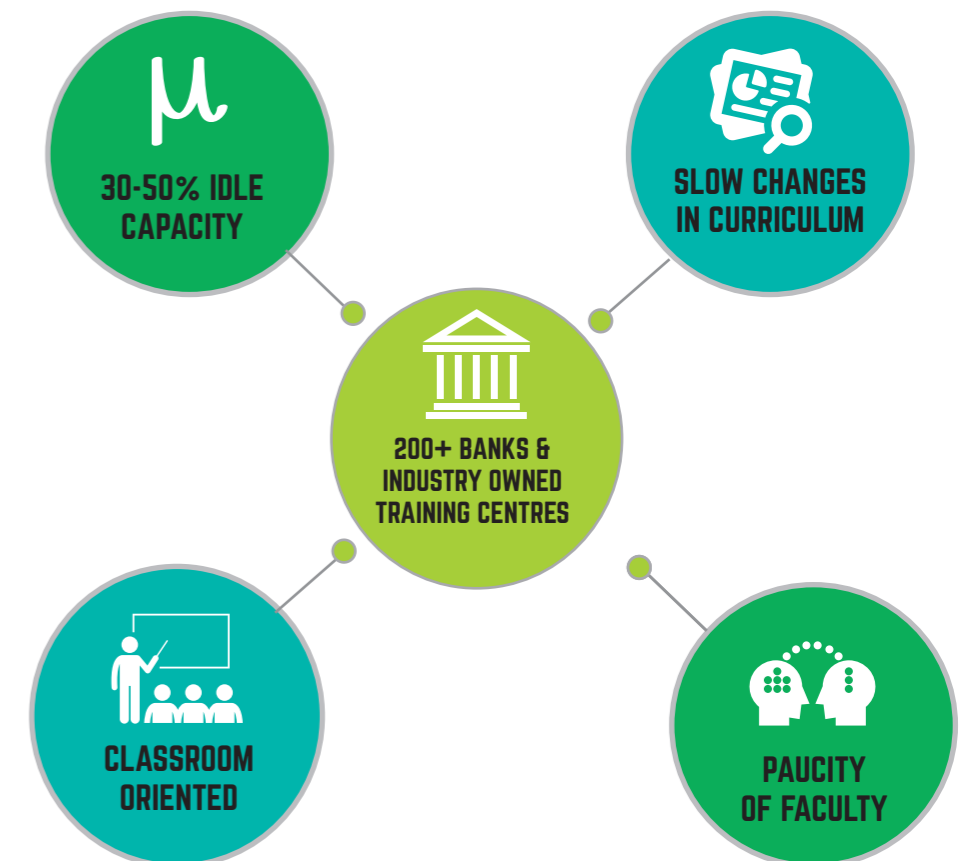
- Reskilling associated with role redundancies and technology adoption
- 20%-30% of operations and back-office roles will be rationalized because of automation and technology/analytics
- Counter transactions are expected to drop by as much as 50% due to technology interventions, leading to redeployment of counter sales people to field sales roles
- Further, all employees, irrespective of their roles, will soon get some sales responsibility. This will necessitate mass reskilling either through self-skilling or employer-sponsored reskilling

“ More than recruitment, redundancy is a bigger challenge for the next 3-5 years *Private Sector Banker* ”

“ Compliance is a key requirement
 Compliance teams need to be more vigilant. Over the years, an ancillary industry has been created in which customers, agents and, employees sell life policies to terminally-ill customers and get insurance coverage amount. They later distribute this among themselves *Insurance Sector Expert*
 Compliance is a big requirement. Employees do not get enough breathing time to understand the rules of the game. Too much focus on achieving targets leads to ethical issues *Insurance Sector Expert* ”

FURTHER, THE INDUSTRY OWNED TRAINING INFRASTRUCTURE IS NOT BEING LEVERAGED EFFECTIVELY

CAN WE UNLOCK THE LEVERAGE THAT OUR TRAINING INFRASTRUCTURE PROVIDES





★ THE SUPPLY STORY : THE SUM UP



LOW AWARENESS AND INTEREST AT THE GRASS ROOTS LEVEL

We have a problem of both awareness and interest at the grassroots level – with the situation being even more acute for the insurance segment



EMPLOYABILITY ISSUES

For those who are interested in BFSI, we still have an employability issue



QUALITY TALENT REMAINS A CHALLENGE

Despite having a large talent pool, the availability of quality talent remains a challenge



THE BEST TALENT MAY NO LONGER BE AVAILABLE

The emergence of Gig economy, the best talent may no longer be available of regular jobs



SALES IS THE LEAST PREFERRED BFSI ROLE

For reasons including image, expectations and confidence – Sales hiring is a major challenge



RESKILLING AND REDEPLOYMENT IS A CHALLENGE

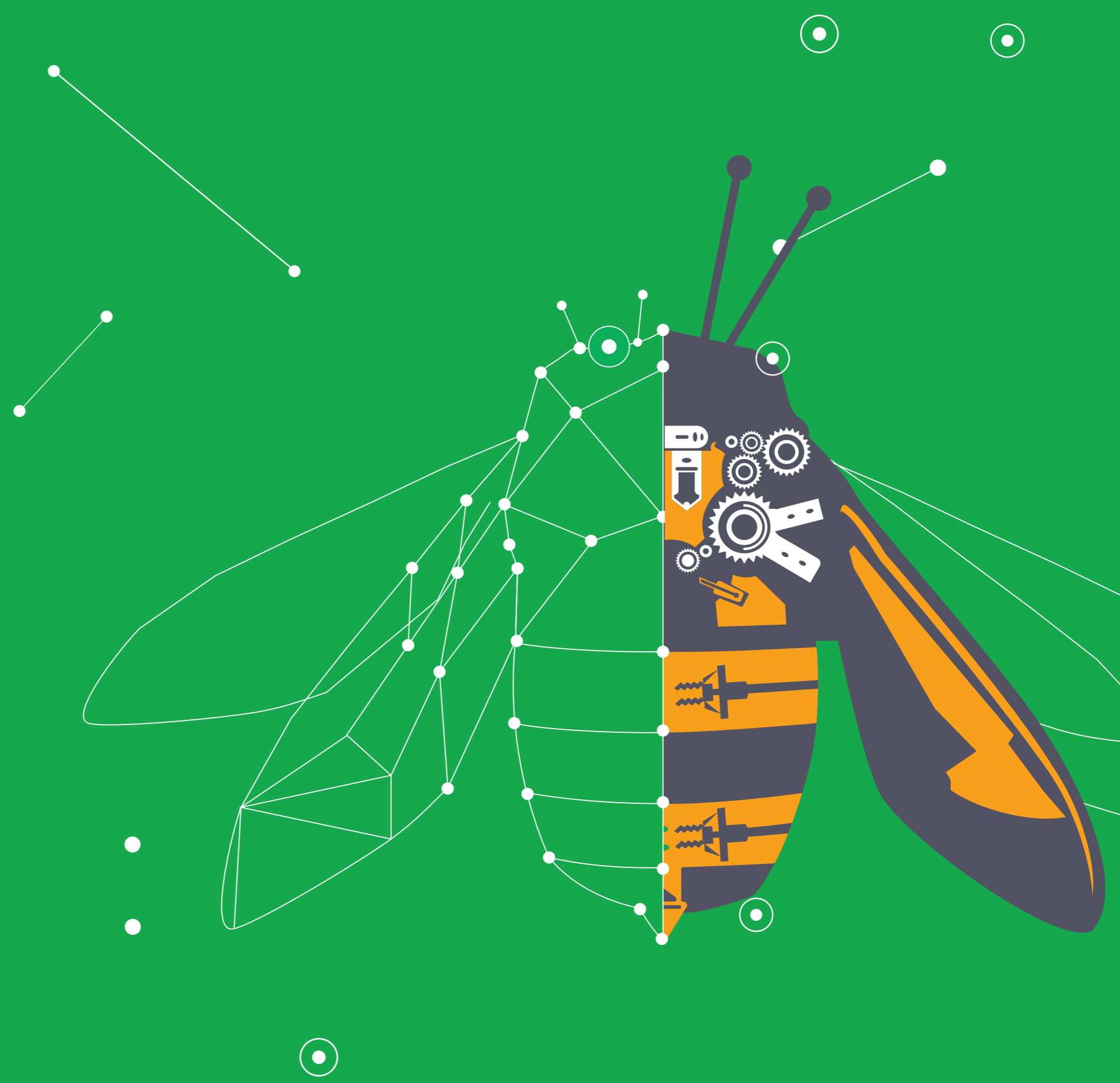
Role redundancies, Tech adoption, need for niche skills are driving demand for reskilling



REIMAGINING THE BFSI WORKFORCE

Opportunities for Action: Reimagining

Global Examples and Industry Case Studies



★ OPPORTUNITIES FOR ACTION: REIMAGINING



#1

REIMAGINING SECTOR'S ENGAGEMENT WITH MILLENNIALS

- Sector branding and image makeover
- Catch talent early. Engage with schools/ colleges
- Build awareness and interest among youths



#2

REIMAGINING SOURCING STRATEGIES

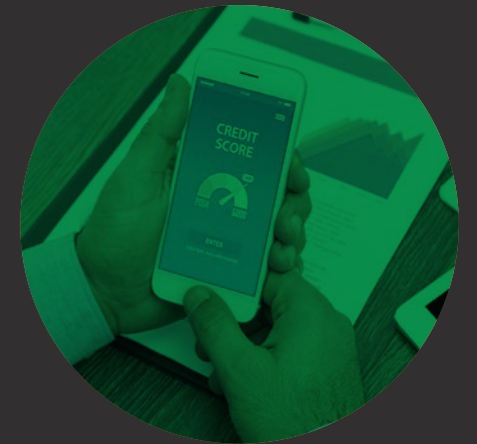
- Diversify sourcing channels
- Sourcing opportunity from other sectors
- Train-Hire-Deploy



#3

REIMAGINING SALES ROLES, TEAM STRUCTURES AND REDEPLOYMENT

- Make sales roles aspirational
- Integrate multi-disciplinary teams
- Embrace disruption
Plan for redeployment



#4

REIMAGINING LEARNING MODELS

- Greater onus on employee self-learning
- Create a culture of lifelong and diverse learning
- Strategic tie-ups for innovative L&D solutions

#1 REIMAGINING SECTOR'S ENGAGEMENT WITH MILLENNIALS

- SECTOR BRANDING AND IMAGE MAKEOVER
- CATCH TALENT EARLY. ENGAGE WITH SCHOOLS / COLLEGES
- BUILD AWARENESS AND INTEREST AMONG YOUTHS

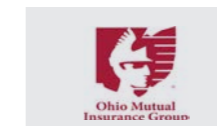
👁️ GLOBALLY, FINANCIAL SERVICES COMPANIES ARE TRYING TO ATTRACT YOUNG TALENT BY SPREADING AWARENESS



LEAP, through Lansing Community College (LCC), started promoting insurance industry throughout US.

LCC offers a pathway to advanced degrees in insurance education in Ferris State University and Olivet College.

Olivet college is partnering with high school students and offering learning opportunities and college credit. ^{[1] [2]}



Reaches out to school-going students and teachers to provide insurance career and education.

Invites eighth grade students from local school districts every year to visit their campus and learn about insurance career opportunities. ^[3]



Partnered with Northwood University, the Tuscola County Intermediate School District, Frankenmuth Public Schools and InsuringMIFuture.org to launch a program to increase awareness among high school students on career opportunities within the industry.

The Insurance Leadership Academy provides high school students with the opportunity to earn college credit through an on-site program. It also offers job shadowing, speaker series and job-specific skilling activities. ^[4]



Trading room in University - CIMB Bank and UITM signed MoU in late 2016 to set up a trading room to make learning environment more practical, and to enable faculty and students to apply theories on the CIMB platform.

CIMB can assess students' skills more comprehensively and make more-informed hiring decisions. ^[5]

“ Focus on branding and providing relevant internship opportunities **NBFC Expert**

The industry needs to think through on how to make the sector aspirational **Private Sector Banker** ”

...OTHERS ARE WORKING ON THEIR IMAGE AMONG YOUNGSTERS



Gen -Y Club in Hong Kong provides specially designed training program for members – tech as sales tools, entrepreneurship, networking & recruitment opportunities.

Provides opportunity to gain membership to Million Dollar Round Table - recognized as the highest standard of sales excellence in insurance.

Benefits: 21% increase new recruits in 2016; winning Gen-Y clientele through these younger planners. ^{[6][7]}



Dual vocational training for high-school and middle-school graduates

The program consists of OJT at the bank and learning modules by a vocational school or university. Students graduate with a commercial degree and a bachelor's degree on successful completion of the training.

The bank hired 863 new apprentices in 2015, 3.7% increase from 2014. 55% of them were awarded employment. ^[8]



The Challenge: Overcoming stigma attached with working in insurance sector.

Focus on new digital-first initiatives, training programs, and technology openings to tell the story of how the company has evolved.

Content on company's Indeed and Muse profiles showcases bright and quirky photos, videos and stories of fun office traditions to prove that working for an insurance company can be fun. ^{[9][10][11]}

“ Focus on engaging with students at college/high school levels and deepening the level of engagement **Insurance Sector Expert** ”

‘FINANCIAL SERVICES MEIN CAREER SAHI HAI’: AN INDUSTRY INITIATIVE IS NEEDED TO MAKE CAREERS IN BFSI SECTOR ASPIRATIONAL

It is worth considering the role of the industry vs. the company.

Some of these issues cannot be addressed by a single organisation and require an industry-wide effort. As the saying goes, every crisis is an opportunity. While not yet a crisis, the changes in our environment may be the best opportunity we have to reimagine our workforces and how we compete in the future

AMFI's campaign to make mutual funds aspirational is a great example

“Phone se bhi online invest kar sakte hain.”

MUTUALFUNDS Sahi Hai

To know how Mutual Funds are right for you:
 • Visit mutualfundssahihai.com
 • Visit your nearest Mutual Fund office, or contact a Mutual Fund distributor or a financial advisor today
 Follow Mutual Funds Sahi Hai on:

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

“ The sector offers multiple opportunities to build a successful career, but suffers from lack of positioning and right engagement

Experienced Banker

”

#2 REIMAGINING SOURCING STRATEGIES

- DIVERSIFY SOURCING CHANNELS
- SOURCING OPPORTUNITY FROM OTHER SECTORS
- TRAIN-HIRE-DEPLOY

COMPANIES ARE DIVERSIFYING THEIR SOURCING CHANNELS



Virtual reality assessment centres and workplace simulation

To allow candidates experience the kind of projects employees handle, and test their ability to make smart decisions.

To use VR headsets to test job applicants on problem-solving tasks in virtual worlds. ^[12] ^[13]



Algorithmic hiring through artificial intelligence

AI software uses machine learning and predictive analytics to judge applicants on traits - such as teamwork, curiosity and grit - that cannot be judged on the basis of a resume or an interview. ^[14]



Morgan Stanley



“ We are trying to hire people from humanities background to focus on customer needs aspect of product designing. ”
Insurance Sector Expert

COMPANIES ARE DIVERSIFYING THEIR SOURCING CHANNELS



For Cloud / AI / ML / Big Data / Analytics ^[15]



First National Bank

For technical roles and to add developments to bank's business ^[16]



To add developer roles to bank's business ^[17]



Customer Experience



Consumer/ Business Analytics



Technology

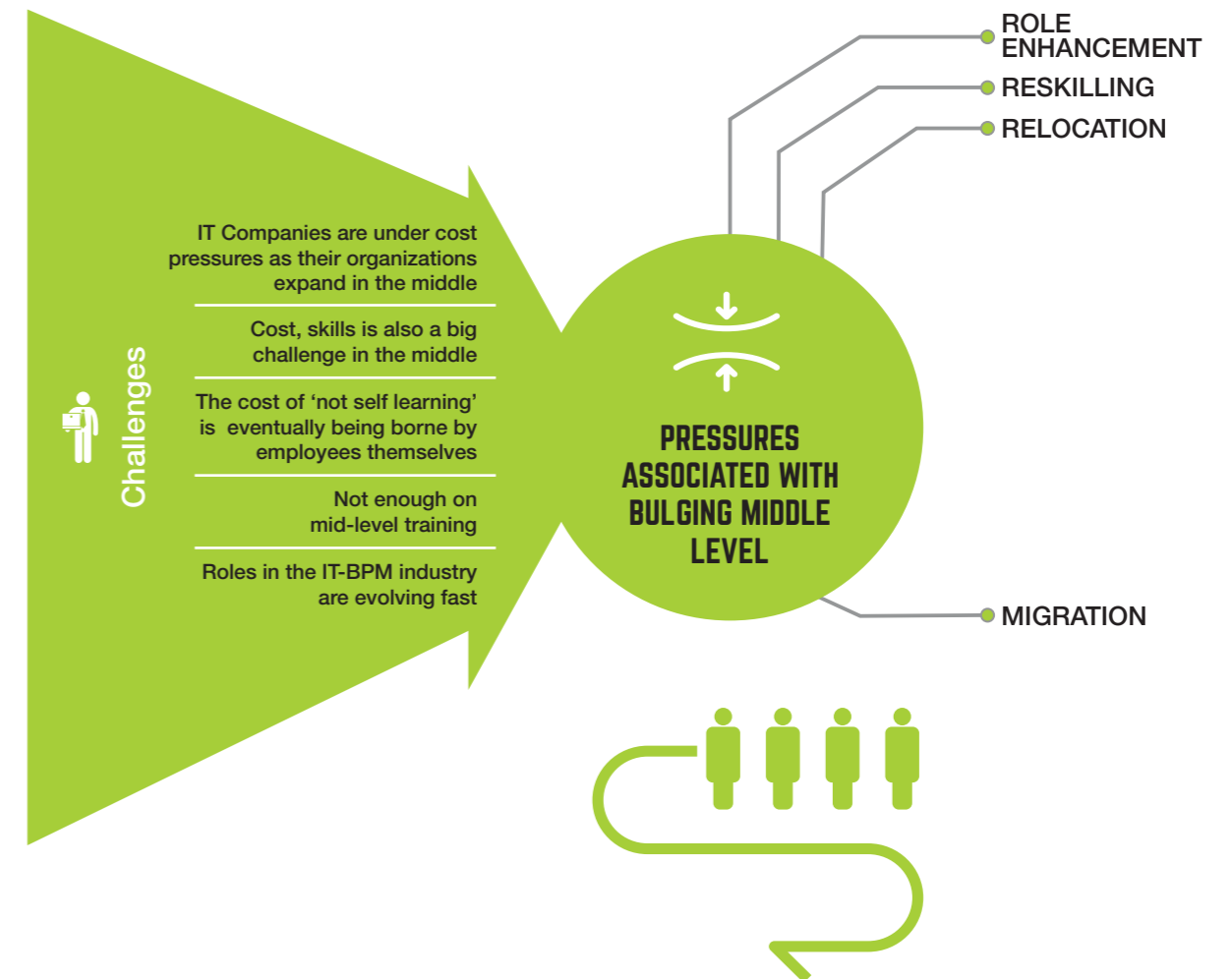


Digital Marketing

“ We are increasing our focus on hiring talent from arts and humanities backgrounds for our customer-centric roles
NBFC Expert ”

SOURCE: COMPANY WEBSITES (DBS, FIRST NATIONAL BANK, BANK OF THE WEST), LITERATURE REVIEW, MXV INTERVIEWS AND ANALYSIS

THE CHALLENGES OF THE IT INDUSTRY ARE ALSO CREATING AN OPPORTUNITY FOR TECH SOURCING



MIGRATION IS AN OPPORTUNITY

BFSI IS THE LARGEST CUSTOMER SEGMENT WITHIN THE IT SECTOR. MANY PEOPLE IN THE JOB MARKET HAVE BOTH TECHNICAL AND FUNCTIONAL SKILLS

SOURCE: LITERATURE REVIEW, MXV ANALYSIS

📍 TRAIN-HIRE-DEPLOY MODEL IN INDIA

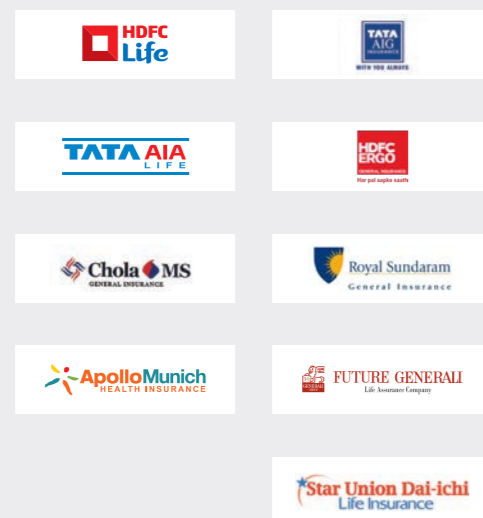
BANKS



Designed with the objective of Enabling Banking Professionals to Drive Business Growth, this unique model is delivered in specially designed campuses and creates:

- Pipeline of Highly Productive Workforce
- Digitally Empowered Talent
- Predictable and Scalable Sourcing Model
- Simulated Model Branches and Tech Labs
- Diverse and Inclusive Workforce

INSURANCE COMPANIES



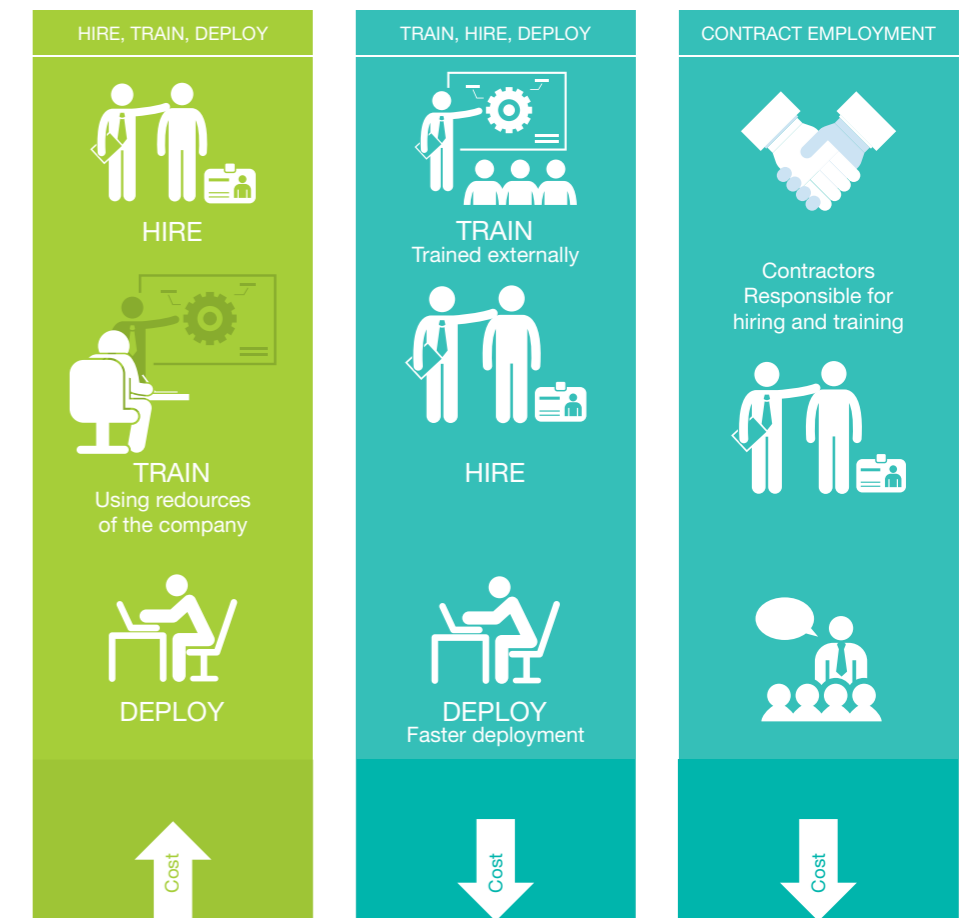
This unique model focuses on its objective of Skilling Industry Professionals to Drive Industry Penetration. The model delivers:

- Enhanced Productivity across Channels
- Role Specific Skills & Knowledge
- Better Customer Experience
- Higher Retention
- Training Cost Optimization

👁️ THE TRAIN-HIRE-DEPLOY MODEL IS STEADILY GAINING TRACTION

OLD RECRUITMENT MODEL

NEW RECRUITMENT MODEL



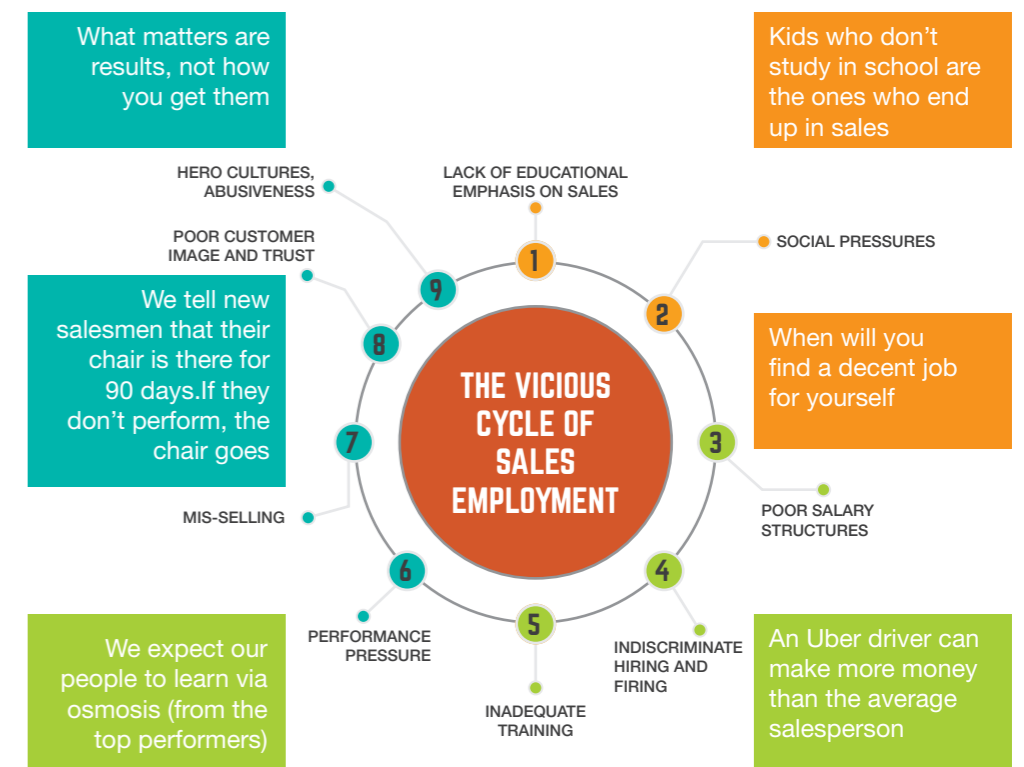
“ Many financial services organizations have been innovating on recruitment models **NBFC Expert** ”

#3 REIMAGINING SALES ROLES, TEAM STRUCTURES AND REDEPLOYMENT

- MAKE SALES ROLES ASPIRATIONAL SOURCING
- INTEGRATE MULTI-DISCIPLINARY TEAMS
- EMBRACE DISRUPTION. PLAN FOR REDEPLOYMENT

👁️ THERE IS A PRESSING NEED TO REPOSITION SALES ROLES

SOME PROGRESSIVE COMPANIES ARE TRYING TO BREAK THIS VICIOUS CYCLE AND CREATE A VIRTUOUS ONE



“ In Insurance, the communication of a sales role should be as that of an entrepreneurial role or a business role which will enthuse people to be excited about it [Insurance Sector Expert](#) ”

👁️ THERE IS A PRESSING NEED TO REPOSITION SALES ROLES

WHAT INDUSTRY EXPERTS SAY ABOUT SALES ROLES RELATED CHALLENGES

Sales is considered a fungible skill, even by the HR

At low entry-level salary structures of Rs. 25k-30k, there are more attractive opportunities in other segments (e.g., Uber driver, mall staff)

Industry doesn't want to spend time/effort/money in grooming people for sales roles

POTENTIAL SOLUTIONS BEING EXPLORED

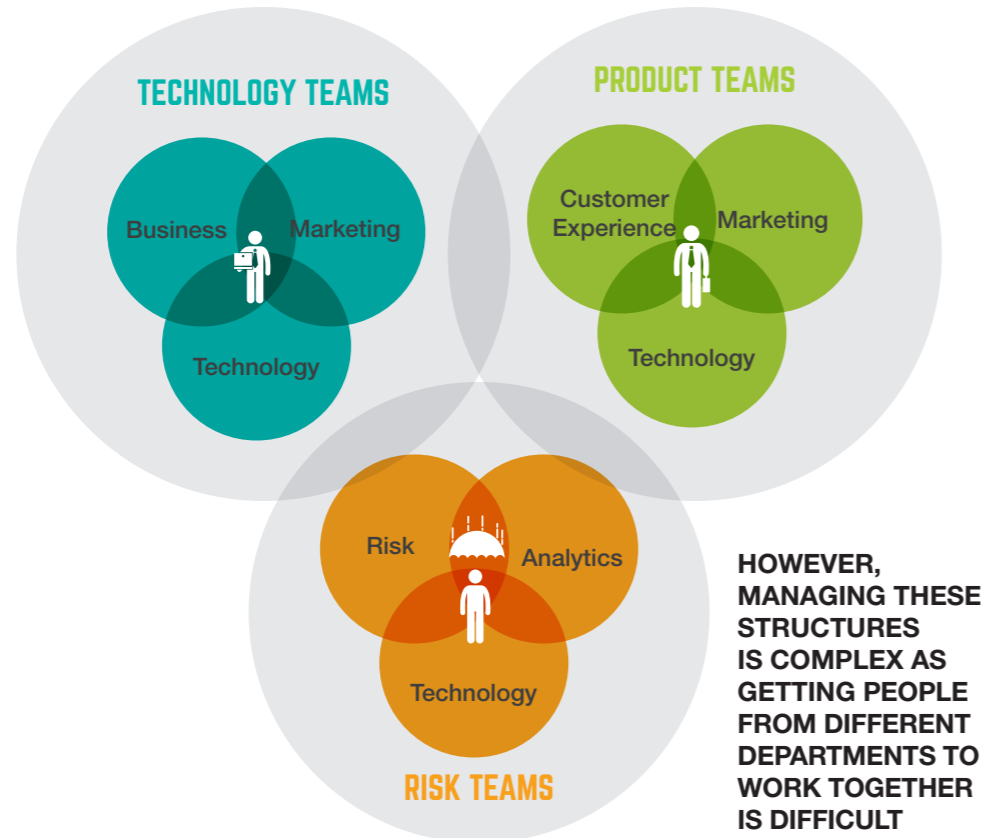
Change the appraisal cycle from 3 months to at least a year so that sales people are given some ramp up time

Industry needs to take a call on the salary points for quality sales people. Eventually entry-level salaries will need to increase to attract high quality talent

Explore options for incentivizing people through non-monetary means (e.g., better roles greater recognition)

THERE IS ALSO THE NEED TO REIMAGINE TEAM STRUCTURES

“ How to perform in a cross functional teams rather than in silos would be the niche skill which needs to be developed and nurtured within an organisation and in an individual *Leading Banker* ”



EXPERIMENTS IN BUILDING CROSS-FUNCTIONAL TEAMS



Some companies pull people out from their silos completely and put them in cross-functional project teams. These people are given clear career path visibility and safety nets within the projects structure

“ We provide safety net for our product team employees to go back to their functional silos if this arrangement doesn't work for them *NBFC Expert* ”

MOST ORGANISATIONS ARE SCALING THEIR RESKILLING INITIATIVES...



Objective: to encourage continuous employee development through experiments and experience-based learning.

Curriculum includes leadership development, functional up-skilling and digital. New courses are added every year (e.g., agile project management).

Includes consumer banking simulation branch where employees can improve their digital tools expertise.

Learning also includes informal methods such as communities-based learning.

Also has a new programme “DBS SkillsFlex”, where Singapore employees up to Sr. Associates level receive annual SkillsFlex Credit of SGD500 DBS. Employees can access 10k+ courses in the SkillsFuture Credit Course Directory as well as 50 courses customised for DBS by NTUC Learning Hub. The courses cover emerging trends such as social intelligence, computational thinking and new media literacy. ^[18]

“ While recruitment will be a challenge going forward, coping up with redundancy will pose a bigger problem *BFSI expert* ”

People from field sales and collections roles are being redeployed to more sales-focused roles. Accordingly, we are training them on new asset / liability related products and customers *NBFC Expert* ”

RESKILLING INITIATIVES IN INDIA: FINANCIAL SERVICES COMPANIES



Financial Services Companies are undertaking reskilling initiatives to Enthuse Finance Professionals to Drive Business Efficiency. Reskilling initiatives include:

- Customer facing roles like First Time Branch Managers, Wealth Managers, HNI Relationship Managers
- Niche roles like Credit, Treasury Operations, Retail Banking and MSME Financing
- Small Finance Banks have reskilled their workforce as part of their transition from a NBFC.

“ We are instilling customer-oriented mindset across all roles through design thinking training. Last year we trained our top 200 people, this year we will train at least ten thousand people more [Private Sector Banker](#) ”



#4 REIMAGINING LEARNING MODELS

- GREATER ONUS ON EMPLOYEE SELF LEARNING
- CREATE A CULTURE OF LIFELONG AND DIVERSE LEARNING
- STRATEGIC TIE-UPS FOR INNOVATIVE L&D SOLUTIONS



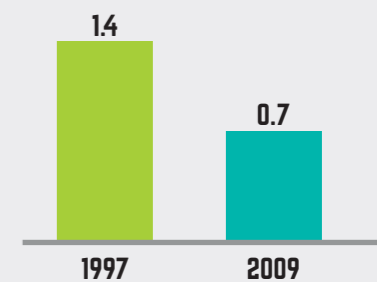
👁️ GLOBALLY, THERE IS A SHIFT TOWARDS THE HOLY GRAIL - LIFELONG, SELF LEARNING...

SKILL REQUIREMENTS ARE INCREASING (USA)

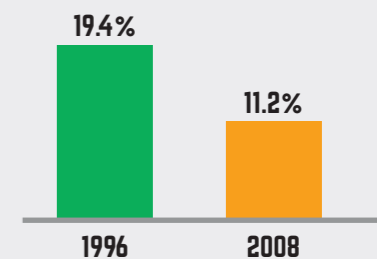
- Routine office jobs declined from 25.5% to 21% between 1996 to 2015, leading to a loss of 7million jobs
- Post the financial crisis, things have worsened
- Opening for unskilled jobs reduced by 55% compared to others
- The composition of high end jobs is changing rapidly
- 49% of top quartile skills require coding skills – often in conjunction with other skills (hybrid jobs)
- Data analysis requirements are up by 4X and data visualization by 25X

FIRMS ARE REDUCING TRAINING INVESTMENTS...

HOURS OF WEEKLY TRAINING (UK)



% OF WORKERS RECEIVING SPONSORED TRAINING (USA)



...LEADING TO AN EXPLOSION OF SUPPLY FOR SELF-LEARNING, LARGELY DELIVERED DIGITALLY

A WORLD OF STACKABLE CREDENTIALS ^[19] ^[20] ^[21]



LinkedIn



coursera



degreed.

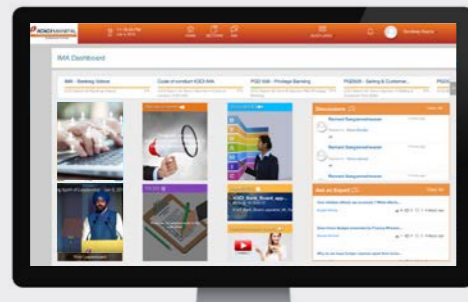
SELF-LEARNING IN INDIA

Organisations are implementing innovative digital learning solutions to provide self learning options to their employees.



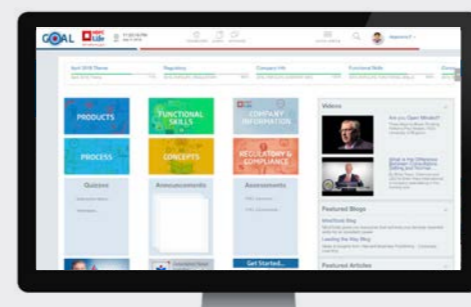
Better sales conversions by enabling employees with 24/7 access to product related details, infographics, pitch videos and FAQs on the mobile

Driving a learning culture to through analytics-based deep insights into learning behaviours and patterns of each learner



Anywhere Anytime Learning: Continuous learning or learning on demand, digitally curated content are all core components of this solution

Individualized Learning and Certification paths for every individual, basis competency and career goals



COMPANIES ARE TRYING TO BUILD A STRONGER LEARNING CULTURE

Westpac Goal: to become the best retail and business bank in Australia [22]

BEST BANKER STRATEGY

Strong leadership buy-in including CEO and the executive team

SUCCESS MANTRA

Financial backing: ~\$50M committed so far.

Setting ambitious targets for enrolment and completion rates, and closely monitoring them.

Putting everybody's skin in the game: managers' KPIs based on learning outcomes of their teams.

Recognizing and felicitating staff achievements: Graduates hosted dinner and personally congratulated by the executive team.

01

Professional Qualifications Program

TARGET
80% of customer-facing workforce to be certified by 2017.

PROGRAM HIGHLIGHTS:
Targeted at customer-facing roles.

Partnered with 2 leading RTOs to develop market-leading externally recognized professional qualifications.

Each qualification designed around Westpac roles.

IMPACT AND BENEFITS:
1,470 qualification completions since 2012.

Upward movement of qualified staff.

Skills better recognized

Ease of transfers across the country and within other banks owned by the Group

02

New Role: Personal Banking Advisor

New frontline role in line with changing needs.

Mix of teller and personal banker roles; needs to fulfil sales + customer service functions.

Also supported by a change in the physical layout of branches; lounge-style environment and removal of glass security screens to facilitate customer interactions.

Westpac has also developed a leadership program to foster global mindset and innovative thinking among its leaders, and aid in their career growth. As a result, the # of leaders with an engagement result at or above global norms have remained at industry-leading levels since 2011.

SEVERAL FIRMS ARE ENTERING INTO STRATEGIC TIE-UPS FOR INNOVATIVE LEARNING & DEVELOPMENT SOLUTIONS



SOME HAVE DEVELOPED MULTI-FACETED TRAINING PROGRAMS AND INFRASTRUCTURE

Allianz ALLIANZ MANAGEMENT DEVELOPMENT PROGRAMS ^[23]

Allianz Campus Programs	Allianz-Excellence-Program	Allianz Leadership Development Program	Infrastructure Own corporate university called Allianz Management Institute Inclusive Meritocracy Virtual Classroom for blended learning: online plus class-room trainings Career Development Conferences to improve global mobility
Leadership/Functional Capabilities Program	Diversity Programs	Learning Network Programs	
ALLIANZ SPECIALIST DEVELOPMENT PROGRAMS			
P&C Academy	Internal Control Systems	Global Actuarial and Risk Development	
Group Talent Management	Certified communicator	Senior Expert	

“ There is some degree of re-skilling that is happening internally and we also tie-up with various service providers to get people with specific skills, both for existing employees and new ones *Private Sector Banker* ”

THE GRAND SUM UP



THE DEMAND STORY

WHAT IS THE SIZE OF THE TALENT CHALLENGE?

WORKFORCE PROJECTIONS



WORKFORCE GROWTH

The Indian BFSI Sector employed 25 lakh people as of 2017. This is expected to grow to ~27 lakh people by 2022.



GROSS ADDITION TO BE 4.5-5 LAKH OVER NEXT 5 YEARS

Net employee addition to the sector is expected to be 2 lakh, gross addition to be approx. 4.5-5 lakh over next 5 years.



HOWEVER, HIRING TO BE 4-5 LAKH EVERY YEAR

Given the movement within the sector, gross hiring is likely to be 4-5 lakh every year i.e 20-25 lakh over 5 years.

EVOLUTION OF ROLES

The challenges of hiring 4-5 lakh people every year for next 5 years, will be augmented by significant evolution of roles...

22% ↑

Increase in sales and distribution workforce

5% ↓

Decline in overall operations and back-office staff

3% ↑

Increase in workforce in niche roles

WORKFORCE TRENDS DRIVEN BY EVOLUTION OF ROLES

#1

SALES CONUNDRUM

#2

CHANGING FACE OF OPERATIONS

#3

NICHE SKILLS

THE SUPPLY STORY



LOW AWARENESS AND INTEREST AT THE GRASS ROOTS LEVEL

We have a problem of both awareness and interest at the grassroots level



QUALITY TALENT REMAINS A CHALLENGE

Despite a large talent pool, the availability of quality talent remains a challenge



SALES IS THE LEAST PREFERRED BFSI ROLE

For reasons including image, expectations and confidence – sales hiring is a major challenge

WHAT ARE THE UNDERLYING HR COMPLEXITIES?



EMPLOYABILITY ISSUES

For those who are interested in BSFI, we still have an employability issue



THE BEST TALENT MAY NO LONGER BE AVAILABLE

With the emergence of Gig economy, the best talent may no longer be available



RESKILLING AND REDEPLOYMENT IS A CHALLENGE

Role redundancies, Tech adoption, need for niche skills are driving demand for reskilling

REIMAGINING THE BFSI WORKFORCE



WHAT ARE THE OPPORTUNITIES FOR ACTION?



#1

REIMAGINING SECTOR'S ENGAGEMENT WITH MILLENNIALS



#2

REIMAGINING SOURCING STRATEGIES



#3

REIMAGINING SALES ROLES, TEAM STRUCTURES AND REDEPLOYMENT



#4

REIMAGINING LEARNING MODELS



ABOUT MANIPAL GLOBAL ACADEMY OF BFSI



45+
FINANCIAL INSTITUTIONS
AS PARTNERS

Manipal Global Academy of BFSI is a leading talent development and employee productivity solutions provider to Banks, Financial Services and Insurance (BFSI) Industry.

200+
INDUSTRY PROFESSIONALS
AS FACULTY

Established in 2008, ICICI Bank was the pioneer in setting up the Probationary Officers Program with Manipal Global and we have trained thousands of employees of ICICI Bank through this initiative over the last 10 years.

15,000+
LEARNERS TRAINED
EVERY YEAR

Over 45 BFSI organizations have partnered with Manipal Global Academy of BFSI. The Academy of BFSI trains over 15000 BFSI industry professionals every year for its industry partners. Since its inception, the Academy of BFSI has trained over 70,000 professionals for leading banks, financial services and insurance organizations.

70,000+
PROFESSIONALS
TRAINED

With over 200 industry professionals as faculty, over 5 high-quality campuses, and innovative digital platforms, the Academy ensures young professionals are job-ready from day one, thus enabling our partners to address human capital challenges such as productivity and performance.

ABOUT MANIPAL GLOBAL EDUCATION

Manipal Global Education Services (www.manipalglobal.com) is a part of the Manipal Education and Medical Group. It is India's largest education services group, running physical and online universities in India, Nepal, Malaysia, Dubai and Antigua. It currently offers services and support to over 400,000 students, across all campuses as well as the corporate and online platforms.

OTHER BUSINESS UNITS

Manipal Prolearn: Professional learning for corporates and individuals - online, F2F and blended modes - in various fields like Management, Data Science, Information Technology and Finance in partnership with industry leaders.

MeritTrac: Testing and assessment services to leading educational institutions, government organizations, corporate entities as well as individuals using a variety of methods.

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