

**Rise in voluntary employee turnover rates hitting some global banks with up to USD 1 billion p.a. in hidden replacement costs**

*Quinlan & Associates sees a need for banks to overhaul their talent strategies*

**Hong Kong, 19 January 2017** – Quinlan & Associates, an independent strategy consulting firm specialising in the financial services industry, has released a comprehensive thought leadership paper looking at the talent crisis in the banking industry.

The report, titled *Don't Bank on It: An In-Depth Look at Banking's Talent Crisis*, takes a detailed look at recent trends in banks' talent strategies and employee offerings across four broad categories of monetary rewards, career development, career engagement, and work-life balance.

'With compensation on the decline, reputations in tatters and job security vanishing into thin air, the appeal of the banking industry is not what it used to be. Global bulge bracket firms are no longer regarded as the destination of choice for Ivy League and Oxbridge graduates, who are instead turning to companies like Facebook and Google,' said Benjamin Quinlan, CEO & Managing Partner and lead author of the report. 'At the same time, growing disenfranchisement with the industry is seeing existing employees walk out the door in greater numbers. Voluntary employee turnover rates are on the rise.'

'In our global survey of over a thousand banking employees, we found that one-third of respondents are intending to leave their current position within the next one to two years, and another third are considering it. This is a huge risk for the industry' said Yvette Kwan, Partner and co-author of the report.

The report estimates that every 1% rise in voluntary employee turnover rates costs a global bank between USD 250-500 million per year in replacement costs. 'With bank-wide staff turnover rates at 1-2% above historical averages, the magnitude of this problem cannot be ignored,' said Quinlan.

Whilst recent changes to bank policies – such as accelerated promotions and protected weekends for analysts – have addressed some of the concerns of junior employees, banks have failed to deliver a satisfactory proposition to their more seasoned staff. 'Not fundamentally addressing the concerns of mid-level employees in particular, creates a dangerous hollowing out of organisations and a critical shortage of next-generation leaders,' said Kwan.

The report outlines concrete and practical policy recommendations for banks to address the growing talent bleed. According to Quinlan, however, 'policies alone will not drive staff engagement and stem the tide of departures. Cultural change is needed. Only when there is a fundamental re-engineering of a bank's DNA to deliver a more holistic career proposition, starting with the tone at the top, will we see a meaningful and lasting change in perceptions towards the industry as an employment choice.'

**About Quinlan & Associates**

Quinlan & Associates is an independent strategy consulting firm specialising in the financial services industry. The Company is the first firm to offer end-to-end strategy consulting services. From strategy formulation to execution, to ongoing reporting and communications, Quinlan & Associates translates cutting-edge advice into commercially executable solutions. With a team of top-tier financial services and strategy consulting professionals, and a global network of alliance partners, Quinlan & Associates provides its clients with the most up-to-date industry insights from around the world, positioning the Company as a leader in this field.

For more information, please visit [www.quinlanandassociates.com](http://www.quinlanandassociates.com).

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