



If You Can't Hire Them, Train Them

by [Steve Brown](#) Topics: [human resources](#)

Summary: Community financial institutions are not alone in having trouble finding or retaining qualified talent with the tight labor market. Maybe it is time to turn inward and reskill.

Research by French bank Societe Generale looked at data from the past 2Ys and found that investors only have ~22% chance of picking a stock that beats the S&P 500 index.

When your financial institution (FI) gets ready to pick someone as a new employee, we hope your percentage is much higher. After all, hiring the right talent is a challenge for all businesses, which is why training existing staff is critical.

Community financial institutions (CFIs) are not alone in having trouble finding or retaining qualified talent with the tight labor market. A report from Glassdoor provides some numbers on the issue facing CEOs and HR departments.

For its 50 Best Jobs in America report for 2020, Glassdoor looked for high average starting salaries and which positions are most in demand. For employers, the list is a good indication of just how competitive the labor market is. The top seven are all tech related, as are 20 of the top 50. These numbers, along with a larger workplace trend, may point to going beyond recruiting.

The Director for Wharton's Center for Human Resources notes that for decades most non-entry level jobs were filled from within a company. Today, more companies of all sizes look to hire outside, leading to higher salaries, greater recruiting expenses, and lower retention rates. Additionally, certain FIs are at a geographic disadvantage, with fewer applicants willing to relocate.

However, an example from Microsoft may offer some guidance. When it planned to build data centers in cities and towns of various sizes, some had populations as small as 400 people. IT knew current employees would be reluctant to move, and local talent pools were too small to accommodate their needs. To solve this dilemma they partnered with local community colleges to support IT Academies. Students are trained to work in Microsoft warehouses and accumulate skills relevant to the company. Since CFIs likely can't match the level of Microsoft's resources, here are some people you could speak with to see what's possible:

Employees. They stand to gain a lot from reskilling programs and some may be excited about the opportunity. The Pew Research Center found 87% of adults believe it's important to complete training and acquire new skills. Plus, retention rates are often higher among re-trained workers. Your team should have resources for staff enrichment.

Coding Bootcamps. Bootcamps are short-term intensive programs designed to teach work-ready skills quickly for IT folks. There are now over 100 across the country. Additionally, they don't require degrees in computer science to prove effective.

Your IT Team or Managed Service Providers. Inquire about certifications and options for continuing education in IT infrastructure, data management and cybersecurity. This is a win-win opportunity for your IT team to get more assistance.

Industry Partners, Trade Associations and Others. These groups may also have resources and tools to jumpstart your staff with some training. Ask and you will likely find.

ECONOMY & RATES

Rates As Of: 02/27/2020 08:54AM (GMT-0800)

Treasury	Yields	MTD Chg	YTD Chg
3M	1.43	-0.11	-0.12
6M	1.31	-0.22	-0.27
1Y	1.15	-0.27	-0.42
2Y	1.09	-0.23	-0.48
5Y	1.09	-0.22	-0.60
10Y	1.29	-0.22	-0.63
30Y	1.78	-0.22	-0.61
FF Market	FF Target	Fed Disc	
1.58	1.75	2.25	
SOFR	Prime	Unemp	
1.58	4.75	3.60	

BANK NEWS

Digital Accounts

A survey of customers of large and regional banks by JD Power finds 31% of [new account openings now](#) occur through a bank website or mobile app vs. 22% in 2019 -- a 41% YoY jump.

Housing Costs

A Harris Poll finds 42% of renters paid more than 33% of their household income for rent vs. 39% in 2017.

Finance Departments

To get a handle on your spending, you might be interested to find research by the Hackett Group finds large companies spent about 0.95% of annual revenue on their finance departments last year. This compares to 1.11% back in 2010.

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