



Can Your Institution Compete Effectively For Talent?

employees pandemic

Summary: With companies across all industries facing record levels of job vacancies — 10.9MM in July — competition for talent is increasingly intense. To compete effectively, community financial institutions need to be reviewing wages and benefits packages, remembering work-life balance, maximizing the use of technology, and considering nontraditional financial services candidates.

Every day, we are all faced with the need to make a multitude of decisions. In fact, some sources estimate that the average adult makes up to 35K decisions of some kind each day. While this figure is difficult to verify, we do know that choices about careers and work are probably some of the most important decisions people make during their lifetime.

Following [yesterday's article about labor trends](#), today we're digging deeper into those trends and providing strategies for community financial institutions (CFIs) to identify potential candidates and attract them to join their institution.

The shrinking talent pool

The unpredictable nature of the pandemic continues to have a considerable influence on the labor market. Although the US economy has recovered somewhat during 2021, the most recent data from the US Bureau of Labor Statistics showed a slowing in jobs added during September 2021 compared to August. While it's estimated that the jobs shortfall is still 7.2MM less than pre-pandemic trend predictions, the labor market remains extremely tight, as evidenced by July's record 10.9MM job openings, reported by the Labor Department in its September 2021 report.

Put simply, people are not returning to work at the rate expected. One factor clearly at play is the Delta variant, which is making many employees warier of returning to the office. COVID-19 has changed the way we think about life and work, with some choosing to prioritize their personal commitments or placing more value on pursuing passions over careers. In this tight labor market, workers are more confident to wait for the right job or quit their current job and look for new opportunities.

How can CFIs increase their competitiveness in the current labor market?

Fewer people in the workforce means businesses across all industries are having to compete for a more limited pool of candidates. This is evidenced by the marked increase in wages, as well as an uptick in incentives, such as referral and sign-on bonuses.

Offering competitive packages

While money isn't everything, CFIs need to be aware of what both their direct competitors and those in other industries are offering financially. They need to be able to provide a holistic benefits and incentive package

that provides more than just a competitive wage. For example, it is important to include wellness benefits and education assistance.

Remembering work-life balance

Indeed, for many potential employees, other factors such as work-life balance and company culture are often just as important as compensation. Factors that improve an employee’s work-life balance are particularly important for those institutions wanting to attract Generation Z candidates.

With many of us now reevaluating what we want from life and work, CFIs should tap into their current employees as a source of information. What do they value most in your institution? What else could be important to recruit employees? Hybrid working, flexible hours, an employee-centric culture, and clear career development opportunities are all examples of added-value benefits that may make the difference between a successful hire and a missed opportunity.

Leveraging technology

Using technology to support individuals in their roles is becoming increasingly important, and this includes recruitment. These days, employee digital onboarding is becoming more commonplace — tech-savvy candidates may choose one institution over another depending on their ability to provide a streamlined, efficient, and digitized hiring experience.

Similarly, those CFIs who have traditionally relied on recruiting from the local talent pool may want to consider expanding their reach and recruiting from further afield. Given how the pandemic has accelerated remote working capabilities, CFIs should not discount investing in the technology, skills, people, and infrastructure to facilitate this.

Looking outside of the industry

Finally, [as we discussed in a previous BID article](#), many full-time employees are completely rethinking their careers and the industries in which they work. As such, CFIs may want to be more open to considering candidates without direct finance industry experience. There are many people with transferable skills who may want to join the financial services industry. Their willingness to learn, passion for a new field, and expertise from a different industry could give your institution fresh insights and a potential edge over your competitors. Wouldn’t that be nice?

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ECONOMY & RATES

Rates As Of: 10/15/2021 06:24AM (GMT-0700)			
Treasury	Yields	MTD Chg	YTD Chg
3M	0.05	0.01	-0.04
6M	0.06	0.01	-0.03
1Y	0.11	0.02	0.00

2Y	0.40	0.12	0.28
5Y	1.11	0.14	0.75
10Y	1.57	0.08	0.65
30Y	2.05	0.01	0.41
FF Market		FF Disc	IORR
0.08		0.25	0.15
SOFR		Prime	QBER
0.05		3.25	0.07

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