

I ndustry Snapshots

- The financial services industry is comprised of three primary sectors: banking, securities and commodities, and insurance. (U.S. Bureau of Labor Statistics)
- Overall employment of financial analysts and personal financial advisors is expected to increase faster than average for all occupations through 2014, resulting from increased investment by businesses and individuals. (*Occupational Outlook Handbook 2006-07*).
- The number of jobs within management, business and financial occupations is projected to grow by 2.2 million from 2004 to 2014. ("Occupational employment projections to 2014" by Daniel E. Hecker)

High Growth INDUSTRY PROFILE

W orkforce Issues

Recruitment: Pipeline and Diversity

Among the challenges facing the financial services industry is a lack of a worker pipeline. Currently, industry employers often recruit workers from competing employers, failing to bring new workers into the industry. Additionally, the industry is faced with a lack of diversity among available workers. A diverse group of workers is especially important in service-oriented professions including retail, banking and insurance, where consumers often prefer employees with which they can relate.

Retention

Stemming from intense competition and high turnover rates, the financial services industry also faces low retention rates among workers. A lack of an industry-wide competency model makes it difficult for new workers to enter and navigate the career ladder in the industry.

Technical Talent Development

The financial services industry is heavily dependent on continuous skill development because workers must keep up with the rapidly changing array of products and services offered to customers. This reality requires employers to think more creatively about how to deliver on-demand training that can be accessed 24/7 and refreshed with new information as needed.

S kill Sets

(Source: U.S. Bureau of Labor Statistics, 2006-07 Career Guide to Industries)

Office and administrative occupations in insurance typically require a high school education, but many institutions make educational opportunities available to encourage in-house advancement. Managerial, sales and professional occupations typically require at least a bachelor's degree. Bank tellers and other clerks usually need only a high school education. Most banks seek people who have good basic math and customer service skills. Financial services sales agents usually need a college degree; a major or courses in finance, accounting, economics, marketing, or related fields serve as excellent preparation. Sales agents selling securities need to be licensed by the National Association of Securities Dealers, and agents selling insurance also must obtain licensure by state.

E TA in Action

In June 2003, ETA announced the High Growth Job Training Initiative to engage businesses with local education providers and the local/regional workforce investment system to find solutions that address changing talent development needs in various industries.

In October 2005, the Community-Based Job Training Grants were announced to improve the role of community colleges in providing affordable, flexible and accessible education for the nation's workforce.

ETA is investing more than \$260 million in 26 different regions across the United States in support of the WIRED (Workforce Innovation in Regional Economic Development) Initiative. Through WIRED, local leaders

design and implement strategic approaches to regional economic development and job growth. WIRED focuses on catalyzing the creation of high skill, high wage opportunities for American workers through an integrated approach to economic and talent development.

These initiatives reinforce ETA's commitment to transform the workforce system by engaging business, education, state and local governments, and other federal agencies with the goal of creating a skilled workforce to meet the dynamic needs of today's economy.

I nvestments

ETA has invested \$7,249,023 in the financial services industry. This includes five High Growth Job Training Initiative grants totaling \$5,989,023 and one Community-Based Job Training Grant totaling \$1,260,000. Leveraged resources from all of the grantees total \$3,782,024.

R esources

For additional background information about the industry and details on the grants, information about employment and training opportunities and workforce development tools for employers, educators and workforce professionals, please visit: www.doleta.gov/BRG, www.careervoyages.gov, www.careeronestop.org, and www.workforce3one.org.