

# EMPLOYEE EXPERIENCE IN BANKING

KEY SUBJECTS INCLUDE

- // Correlation between good EX and profitability, innovation and customer satisfaction
- // Why banks are struggling to recruit the best talent
- // Steps banks can take to improve internal culture and EX
- // The role of core banking in EX

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# EMPLOYEE EXPERIENCE IN BANKING

It's become increasingly clear in recent years that if banks are going to **survive and thrive** in the current era, they need to adapt to meet the market's ever-changing needs.

When we talk about banks rising to meet the challenges of the digital era, we often speak about harnessing data and **building better customer experiences**.

And while these remain important challenges for banks to overcome, there's an equally important issue that often remains overlooked: **Employee experience (EX)**.

Research conducted with Forrester Consulting

for Sopra Steria's recent report on "**Master Ecosystems: To Be Future-Ready In Banking**" shows that many professionals who work with banks find the internal culture a major issue in collaboration. Often, this comes down to a **lack of motivation or innovative nous** on the part of a bank's employees.

In this paper, we'll take a deeper look at what exactly those issues are, why banks must work on correcting them, and the steps they can take in doing so.

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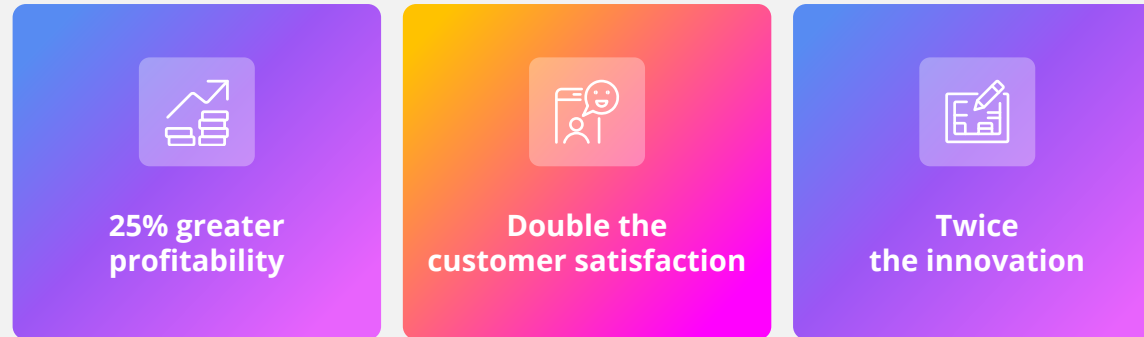
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# WHY EX MATTERS IN BANKING

According to [research conducted by Massachusetts Institute of Technology](#) (MIT), organizations with a strong EX achieve:

## EMPLOYEE EXPERIENCE PREDICTS BUSINESS PERFORMANCE



With many banks today struggling to increase revenue, meet the needs of their customers, and provide the type of innovative products and services that the market demands, **improving EX could be a vital step forward**. And that's not to mention a host of less tangible improvements that come with a strong UX, including a better company culture and smoother dealings with third parties.

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## THE CURRENT PROBLEM WITH EX IN BANKING

Below are three quotations taken from our research done with Forrester Consulting. While they may be subjective, they come from professionals who've worked closely with banks over a long period of time.

They also reflect a broader attitude from all interviews taken for the study: That there is an internal culture problem at banks impeding necessary development for the organization as a whole.

“

*People who work for banks are more concerned about their pension, their career.*

*How can you innovate if your first thought is about your career, where you're going and what numbers you're hitting? It's like they're playing it safe. And that's what you get – they don't innovate because they're scared to rock the boat.”*

VP CSO for a global payments company

“

*Banks are often lacking in talent.*

*If you've ever seen really tech-oriented people talking to bankers, it's like two worlds colliding.”*

Head of banking strategy for a financing platform

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“

*People working at banks are not really that passionate*

*Whereas in smaller companies, the majority of people are the opposite. They are passionate about the vision and want to do a good job. They want to bring something of value to the customer. At banks, it's not done with a sincere intention. It's just done to please your boss and you end up being a yes man."*

**VP of payments platform for an Asian payments company**

As we can see, these interviews point to a lack of motivation and tech-savvy talent in banks. Clearly, these issues need to be resolved if banks are going to compete across the board, but how aware are they of the changes they need to make?

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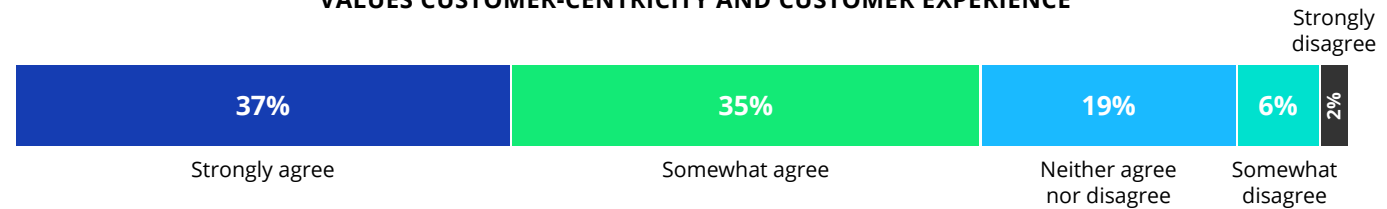
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## DO BANKS RECOGNIZE THE PROBLEM?

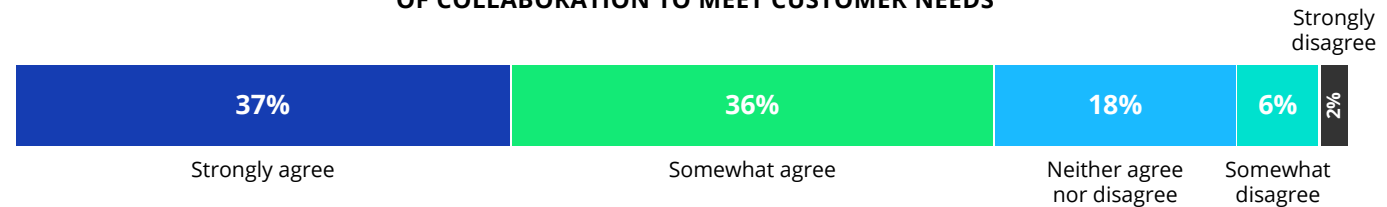
In a high-level sense, our research shows that banks are aware of the need to improve EX within their organizations. 69% of bank respondents in our research said that **improving employee experience is either a “critical” or “high” priority** for their organization.

However, when it comes to banks’ own analysis of company culture (and especially how this relates to customer experience), they seem largely satisfied with their current performance. The survey results below – taken from the same study – betray an overconfidence on the part of banks.

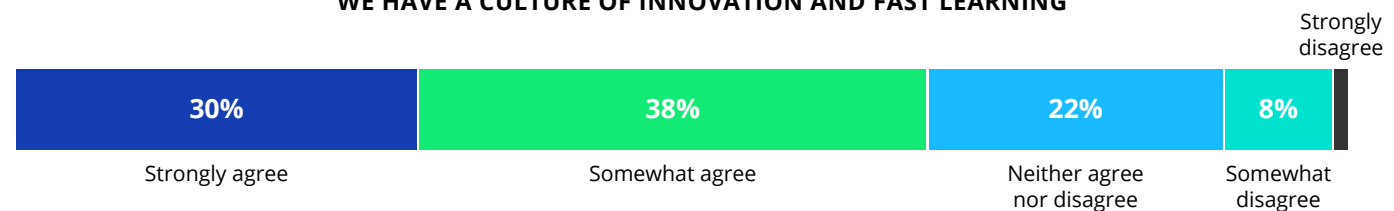
### OUR COMPANY CULTURE UNDERSTANDS AND VALUES CUSTOMER-CENTRICITY AND CUSTOMER EXPERIENCE



### OUR COMPANY HAS EMBEDDED A CULTURE OF COLLABORATION TO MEET CUSTOMER NEEDS



### WE HAVE A CULTURE OF INNOVATION AND FAST LEARNING



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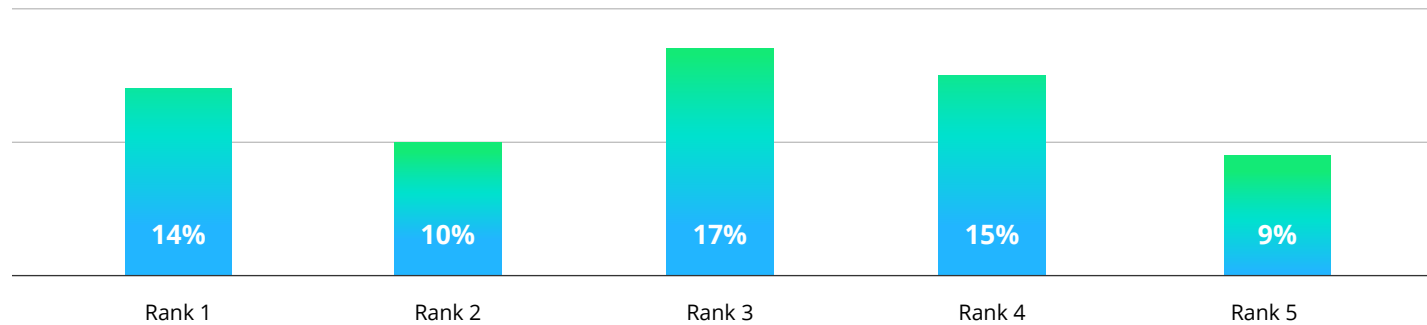
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## ARE BANKS TRYING TO IMPROVE EX?

So, what tangible efforts show banks are actively trying to improve the employee experience within their organizations?

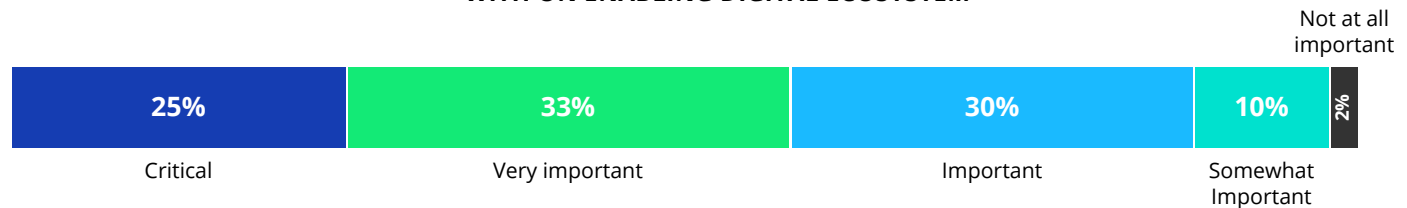
For a start, our study shows that 65% of bank respondents place redesigning physical workplaces to improve team performance as a top-five priority over the next three years.

TOP PRIORITY OVER NEXT THREE YEARS:  
REDESIGNING PHYSICAL WORKPLACES TO BE MORE CONDUCTIVE TO  
AGILE METHODOLOGIES/INTEGRATED TEAMS



And, when entering the digital ecosystem, employee engagement is either an **“important,” “very important” or “critical factor.”**

IMPORTANCE OF “EMPLOYEE ENGAGEMENT”  
WHEN CHOOSING A THIRD-PARTY VENDOR TO WORK  
WITH ON ENABLING DIGITAL ECOSYSTEM



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## STEPS BANKS CAN TAKE TO HAVE BETTER EX

### ENGAGE SENIOR MANAGEMENT

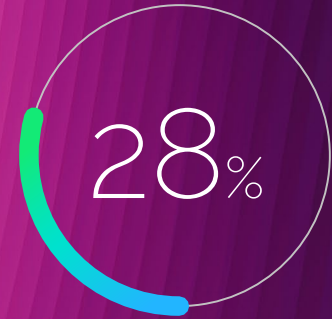
According to our research, for 28% of banks, a lack of support from senior leadership is the biggest challenge when it comes to developing a digital ecosystem of products and services. If we assume that this is indicative of other areas internally in a bank, then fine-tuning the message coming from senior management could be key for banks in improving EX.

### NEW TALENT

While banks couldn't (and shouldn't) go about recruiting whole new teams from top to bottom, bringing in some new blood could provide a much-needed boost. Especially in areas where they're apparently lacking, such as tech-focused posts and the modernization/digitization of work processes.

### FOCUS ON INCENTIVES

We've already seen from our interviews that there is a feeling that bank employees lack motivation to push the envelope when it comes to innovating. As one person put it, "it's like they're playing it safe." By encouraging employees to think outside the box and attempt new, innovative approaches, banks could unleash hidden potential in their teams.



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# HOW A SOFTWARE PROVIDER CAN HELP

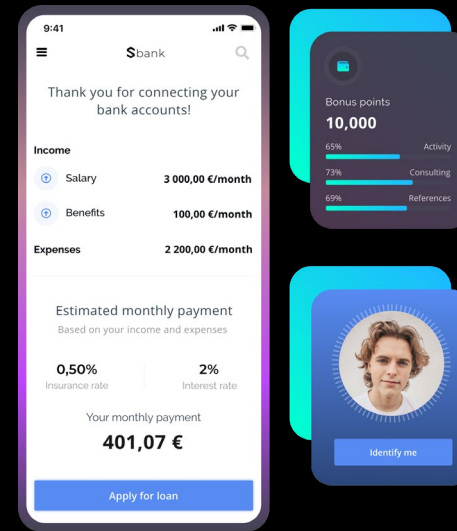
**Bringing in new talent and better motivating existing staff** are great ways to improve a bank's overall EX, but they're easier said than done.

**Many banks still run on legacy systems inherited from the 1970s and '80s.** Not only are these systems not fit for purpose in 2022, they also prevent banks from significantly improving EX. They are often difficult to work with and don't appeal to a younger generation of worker.

**Software can help banks.** Through digital transformation, banks can optimize and automate day-to-day processes, thus freeing up employee time to focus on more innovative and less mundane tasks. For instance, research has shown that automating up to 45% of low-value tasks can create a more engaging work experience.

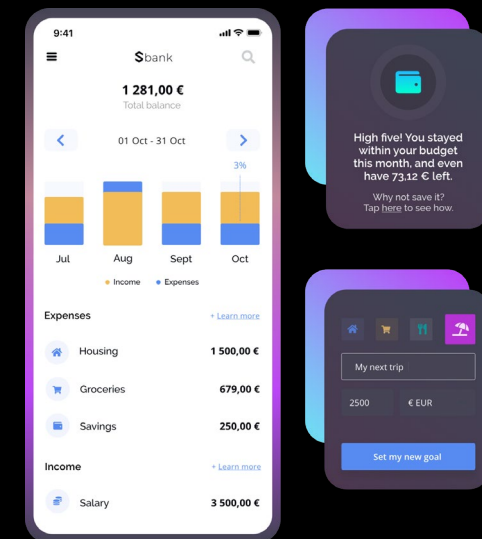
**Sopra Banking's Digital Banking solution** can help banks to streamline customer and back-office interactions with a fully automated, end-to-end process.

Furthermore, **our core banking solution** helps banks to streamline end-to-end operations, from risk, regulation & report to lending & financing.



Design,  
build and run  
**YOUR DIGITAL-NATIVE BANK**

Stay  
resilient with  
**THE BEST-IN-CLASS CORE BANKING SYSTEM**



DISCOVER MORE



### **Banking-Platform-as-a-Service: The platform revolution**

Platform banking can enable data-driven hyper-personalized services for customers and create converging routes for financial services across industries. The question is, how can banks make the most of it?



### **Customer experience in banking**

As the financial services industry and customer expectations change, banks need to adapt to survive. Find out why customer experience is key, and what banks can do to improve.



### **Car-as-a-Service: The road ahead**

A handful of high-profile OEMs have abandoned their CaaS initiatives. Is the movement dead, or set for a renaissance?



### **The Ethics of "Buy Now, Pay Later" (BNPL)**

Buy Now, Pay Later is among the latest in a line of financial trends. However, it has a dark side which can result in more debt and financial struggles for some.



### **Open banking compliance**

Open banking has major advantages for banks, but it also causes challenges for them by keeping up to date with the compliance standards. Read this article in full to find out more.



Sopra Banking Software is the partner of choice for more than 1,500 financial institutions worldwide. The rich variety of our solutions, the strength of our conviction and our passion for innovation enable us to support our clients on a daily basis and in their future projects, as well as in their goals regarding financial inclusion. Our customers, based in over 80 countries around the world, benefit every day from our technologies and software, as well as the expertise of our 5,000 employees. Sopra Banking Software is a subsidiary of the Sopra Steria Group, a European leader in consulting, digital services and software development. With more than 47,000 employees, the Sopra Steria Group generated a turnover of €4.7 billion in 2021.

*To find out how we can help your bank to create market-beating digital transformation strategies, visit [www.soprabanking.com](http://www.soprabanking.com) or contact us at [hello@soprabanking.com](mailto:hello@soprabanking.com)*

