

I ndustry Snapshots

- The financial services industry is composed of three primary sectors: banking, securities and commodities, and insurance. (U.S. Bureau of Labor Statistics)
- The financial industry's annual rate of growth (1.2% annually between 2002 and 2012) represents 964,000 new jobs created by 2012. (Jay Berman, *Monthly Labor Review*, February 2004)
- The 2003 Gross Domestic Product generated by the financial industry was over \$2.5 trillion in current dollars, a 20.4% share of the total GDP (U.S. Bureau of Economic Analysis)
- The following financial services occupations are expected to increase in employment by over 18% from 2002 to 2012: personal financial advisors (34.6%), financial analysts (18.7%), and credit analysts (18.7%). (U.S. Bureau of Labor Statistics)
- Employment growth is expected in management and professional jobs in banking, customer service representatives as well as securities and financial services sales representatives. (U.S. Bureau of Labor Statistics)
- Growing areas of the insurance industry are medical services and health insurance in addition to the industry's expansion into the broader financial services field. (U.S. Bureau of Labor Statistics)

High Growth INDUSTRY PROFILE

W orkforce Issues

(Source: U.S. Bureau of Labor Statistics)

- The combined effects of technology, deregulation, and mergers will continue to affect total employment growth and the mix of occupations in the banking sector.
- Deregulation of the financial services industry allows banks to offer a variety of financial and insurance products that they were once prohibited from selling. The need to develop, analyze, and sell these new services will spur demand for securities and financial services sales representatives, financial analysts, and personal financial advisors.
- As workers retire and insurance providers diversify and expand into financial services, positions will be available for new workers to enter the field. Medical services and health insurance is the field within the insurance sector predicted to grow the most in the next decade.

S kill Sets

(Source: U.S. Bureau of Labor Statistics)

- 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

ETA is addressing the workforce issues of the industry from a national perspective by conducting Executive Forums with the financial services industry to gather relevant information from informed groups in a disciplined manner.

These forums will provide ETA and the public workforce system with the opportunity to gain further understanding of the overall critical workforce needs of the industry. After meeting with industry leaders, ETA will develop and solidify strategic alliances with business,

education, and workforce leaders who are proactively focused on the workforce issues confronting the industry and engage them in developing innovative approaches to address their needs.

ETA will partner with employers, education providers, and workforce professionals to develop and model skills training solutions nationally that can be replicated and sustained throughout the state and local public workforce system. These approaches will help ensure that workers have the right skills for the right jobs at the right time.

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 refer to the following: www.doleta.gov/BRG, www.careervoyages.gov, www.careeronestop.org, and www.workforce3one.org.