

**BECOMING A BANKER - IS THAT STILL ATTRACTIVE FOR
THAI GEN Y?**



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ABSTRACT

This thematic paper is mainly focusing on the trend of working in banking industry towards the generation Y today. The factors included the motivation factors and characteristics of the generation Y and the perception of working in banking industry. The primary data will be collected by interview method to get the in-depth information of working culture in banks. The respondents are who currently working with banks, the former banker and the finance and business students.

The result of the study shows that the hierarchy structure in banking industry and the traditional way of doing business are the major reason for people to have less interested in working in banking industry.

KEY WORDS: Working in Banking Industry/ Gen Y in Banks/ Gen Y in Banking Industry

31 pages

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CHAPTER I

INTRODUCTION

Banking industry, it is the significant industry that plays an important role to Thailand economic. In the past, banking industry is a place of men in suit where you can find a smart banker and it is the place where everyone wanted to join because working with bank is secured and stable as the main institution in the country. With the good paid salary, attractive benefit, guarantee bonus and challenging work, people remember that banks is a good place for working and some of student decided to study in financial major in order to have a chance to join the bank. However, in 1997 the way banking does business tends to be changed due to the financial crisis and had been suffered from inflation and NPL. Banking industry had become unsecured from dramatically decreases of revenue and finally was acquired by foreign banks. Then, the image of bankers becomes not attractive as before from the lay-off and branch had been closed. The impact from those situations seems to force the banks to survive in the business by reduce the operation cost while introduce various financial products to customers. In addition, currently, it is an increasing of using internet banking and mobile banking which making banks more like a tradition physical store. Some has not remembered when the last time that they attend the branch because it is more convenient from those tools. This makes banks have less important to the people. From the figure 2.1, the research from Universum study said that in the past few years, banking industry has suffered from the low EVP from business/commerce students who they are the future leader and this situation happens to all banks in Thailand. This graph shows that banking industry is now seems unattractive for the generation Y as they are questioning that is the banking industry still a good place to work like before? And is banking industry being still able to provide a job security for employee after everything that have been through? Why the banker wants to leave the bank?

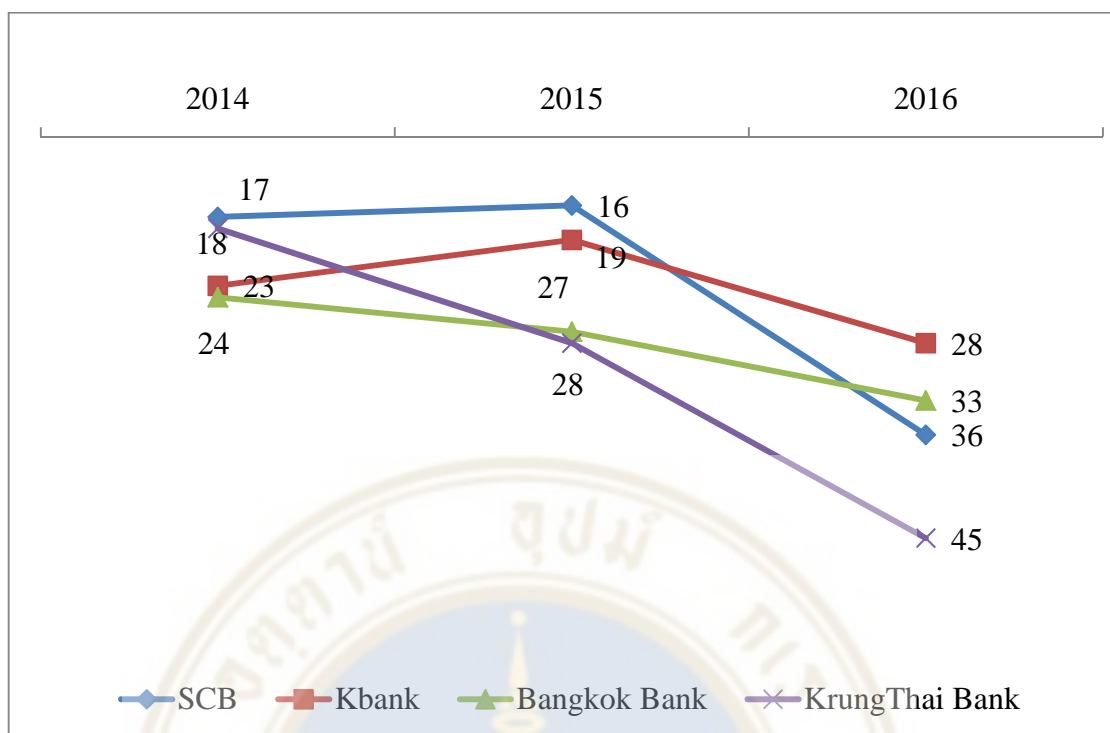


Figure 1.1 Ranking Trends 2014-2016 by Universum Study

From the research inspiration mentioned above, this research paper will illustrate the culture of working in banking industry and the reason for choosing one company from the current worker and former bank worker. Also, the research paper will demonstrate the perception of banking industry from the graduates' finance and banking major including the reason for them not to work with bank. Those answers will reflect the attractiveness towards working with bank from both inside and outside which going to define the position of banking industry among the potential candidates. The information will be acquired by interview method to get the in-depth information to show the motivation factors. This study will provide the recommendation for future practice for the bank in order to be the employer of choice to the future potential candidates.

CHAPTER II

LITERATURE REVIEW

Working in banking industry, if we compare now and then, it is totally different picture. In the past, it will be great and meaningful if you were employed by the banking institution, but now it may not. It may be caused from the intense competition in labor market or the characteristics of each generation that affect the perception of working in banking industry. The intense competition in labor market in term of branding, this is to attract the potential candidates to join the company. For the generation characteristics, as soon, the Thailand labor force will contribute by generation Y 37.02%, so the business has to response to the need of this generation (PWC, n.d.). This literature review will demonstrate the overview working in banking industry to see the situation of banking industry now. Next is the generation theory. This theory will describe the characteristics of generation X and generation Y as they will be most the labor market. Last is the motivation theory which will be illustrated the factors of individual to choose and stay loyal to the company.

2.1 Working in Banking Industry

Banking industry is one of major institute that plays an important role in Thailand economic and influenced by both internal and external factor such as political issue. In the past, most of the revenue had been generated from mortgage, housing loan, interest and investment, and during the high growth of economy, banking industry was the best place to work because of the high paid and bonus (Deloitte, 2015). Working at the bank at that time, it is not for anyone, but it is the place where you can see “*men in suits*” and it is the place where attracting the talent (Deloitte, 2015). For Thailand, banking industry had been faced with the high pressure of competition, especially after 1997 crisis as the revenue had been decreased until it become positive again on 2001 (Chompukum, n.d.). During the crisis, there were layoff policy announced, and bank was one of them

because in order to survive in crisis, bank had to reduce the cost of operation (Deloitte, 2015). Once the economic had been rebounded, banking industry had been faced with the new challenges such as technology, operation cost and new financial landscape (Chompukum, n.d.). Moreover, Thailand had welcomed the foreign bank in order to become the shareholder to help Thai bank to survive, and that is the way to make the competition among the banks were more intense (Chompukum, n.d.). Now, the new major challenges of banking industry are attracting the new customers and improve service quality as the external goal, but for internal goal, bank should focus on how to motivate the employee to improve the performance while attracting the potential candidates and reduce the turnover rate (Chompukum, n.d.). It is because the turnover rate for banking industry is relatively high (Chompukum, n.d.). *“As of now, banking industry is not attracting for the new generation anymore as it has been remained in second place behind FMCG industry for the second year running from the research” (Deloitte, 2015).* Furthermore, the software and computer service industry such as Google and Apple has been raising the popularity among the labor market (Deloitte, 2015). *“It is because those companies have the strong brand as the people perceived “coolness” and the place where they are roaring forward with innovation and financial success” (Deloitte, 2015).* From the Deloitte research, however, it founded that banking industry attracted the conservative rather than innovators, so it is become the barrier to beat the new challenge (Deloitte, 2015). It is because the innovators will look for the company like Google or Apple where they can express their own potential and make the thing impacts rather than stick with the policy which blocked them from being creative and innovation (Deloitte, 2015).

2.2 Generation Theory

Generation is an identifiable group or cohort which shared the birth years, age, location, significant life events and characteristics (Barford and Hester, 2011). Gen X is those who born in 1965 to 1980 (McClindle, 2006). This generation is now aged between 37-56 years old who has been through watching their parents lay off, weak government support programs and not to trust the institution (Fishman, 2016). Currently, this generation has positioned manager, director or even CEO for some company (Bova and

Kroth, 2001). This generation began the job during the time when the job was very hard to find from the economic crisis and much of downsizing and layoff (McClindle, 2006). During the time of this generation, there was a high rate of divorce and violence, so it could be said that they are the generation of survivors (Fishman, 2016). They become self-reliant, cynical for a good reason and independence and they also think that the old generation had made the mess of thing (Fishman, 2016). Xers will be appreciated the company that can give them peace of mind due to the situations that they have been through (Fishman, 2016). *“They would love to work independently in their own project with minimal supervisor and they will do it their ways”* (Bova and Kroth, 2001). However, the money in term of high salary, multiple months of bonuses and stock option are the great motivator for this generation as they have to take care both their child and parent which the health and education support from the government was very weak, so they have to earn a lot of money to cope with those cost (Bova and Kroth, 2001). *“It could be said for this generation that “Work to live”* (McClindle, 2006). This generation is also seeking for the work-life balance as they are value the time as the most important thing and continuous learning (McClindle, 2006). In term of learning, Xers would love the company where can increase their skills and support the learning environment (Bova and Kroth, 2001). *“They prefer the company that offers them the sense of belonging and sense of family”* (Fishman, 2016). From the value of time, the best reward of Xers will be a day off after the big project (Fishman, 2016). Xers are the perfect bridge between baby boomers and generation Y to connect the culture, views and values (McClindle, 2016).

Gen Y is those who were born in the 1980s to 2000s (Weyland, 2013). They are the children of baby boomer’s generation. They are going to be the largest group of workforce that entering to the business community and contributed to 75% of total workforce in 2025 with technology savvy but highly creative (PWC, n.d.). For working style, even they are looked to be socialized by using the application such as Facebook that used for connect the friends around the world and played with gadget such as the advanced technology of watch that can calculate the heart rate and receive the text at the same time, but they are still willing to work hard for what they are passionate about or when they are given a challenge responsibility. If they can see the value of the work, they will be willing to work hard indeed (Weyland, 2013). Yers expect that their everyday

work can contribute to the external impact which reflects to the company's success (Weyland, 2013). They are preferred work in as a team while being collaborative, result-oriented individual and having an ardor for pressure (Barford and Hester, 2011). This generation is loved to work with team and having the network with new people. They are not driven by just telling them to do so, or just getting the manager's job done because they are too much concerned about the meaningful work (Weyland, 2013). The culture is one thing that generation Y will consider taking a job offer (McClindle, 2006). They are interested the company where having a strong value, social ethic, distinctive brand and non-hierarchical environment (Weyland, 2013). Technology has played important roles in this generation because they believe that the technology will empower and drive the communication (PWC, n.d.). Yers expect the instant result and will be frustrated with the old technology and slow communication flow (Weyland, 2013). The knowledge is available at our fingertips through the device and technology (PWC, n.d.). *"As they have seen their parent had been chained at the desk and spends most of the time working for money and become stressful, so the money is not the priority of this generation"* (Weyland, 2013). Generation Y has ranked the compensation have less important compare to generation X and Baby boomers (Barford and Hester, 2011). The reward that may attract in this generation will be the global mobility and continuous learning and development (PWC, n.d.). This is included the career progression in an organization. The new experiences will keep attract this generation because they are dynamic and eager to learn the new thing. *"The company will only keep them as long as the company can keep their learning curve really high"* (Weyland, 2013). By giving them a cross-functional project or a challenge work, these will keep them motivate and enjoy working at the company. A work-life balance is a key point for generation Y as they preferred flexibility. They would love the flexible hours because they think that it is not about the length of working hours to spend on desk but it is about output of the work (Weyland, 2013). The work-life balance is a kind of inspiration of Gen Y to achieve professional satisfaction and personal freedom (Barford and Hester, 2011). From the research of PWC, it found that 95% of respondents say that work-life balance is important to them and expect that the company should have implement this policy, and they are all agreed that the rewards should be paid by the result rather than number of working hours (PWC, n.d.). The flexible may not be restricted in term of time, but it can be in term of location. Generation Y

believe that they can work away from the office and keep productivity. The quality feedback is another thing that Gen Y is seeking for as they expected managers to give them direct feedback of their performance for further development (Weyland, 2013). If a manager can give them a clear direction with mentoring, Yers will be more appreciating because they are looking for the knowledge from the supervisor. They view that is an opportunity and career advancement. *“In addition, it can’t be said about “Job for life” with this generation”* (Weyland, 2013). Gen Y tends to have less loyal to the company, they decided to spend time with certain employer if they feel they suited. From the research of PWC, there are only 4% of the respondents that decide to live for only single employer, and 54% of the respondents expected to have two to six employers if they feel that they suited. The 9% think that they will keep finding new employer to do multiple jobs (PWC, n.d.). It is important for the company to keep tracking the change of generation and prepare for the future trends which will help company to reduce the risk in term of human resource which is the asset of the company.

2.3 Motivation Theory

Herzberg theory is talking about the driver of motivation for the employee to keep them productivity and loyal to the company which deal with the attitudes both the causes and the consequences of the attitudes (Tietjen and Myers, 1998). *“The definition of motivation is about how to provide something to a person drive him/her to do something”* (Ruthankoon and Ogunlana, 2003). The motivation can cause of the positive attitudes towards the job because the employee satisfied and able to meet the individual ultimate goal (Tietjen and Myers, 1998). According to Herzberg’s theory, this theory has consisted of two factors which are motivation factors and hygiene factors (Ruthankoon and Ogunlana, 2003). The motivation factors are “job content” where hygiene factors are “job context” (Ruthankoon and Ogunlana, 2003).

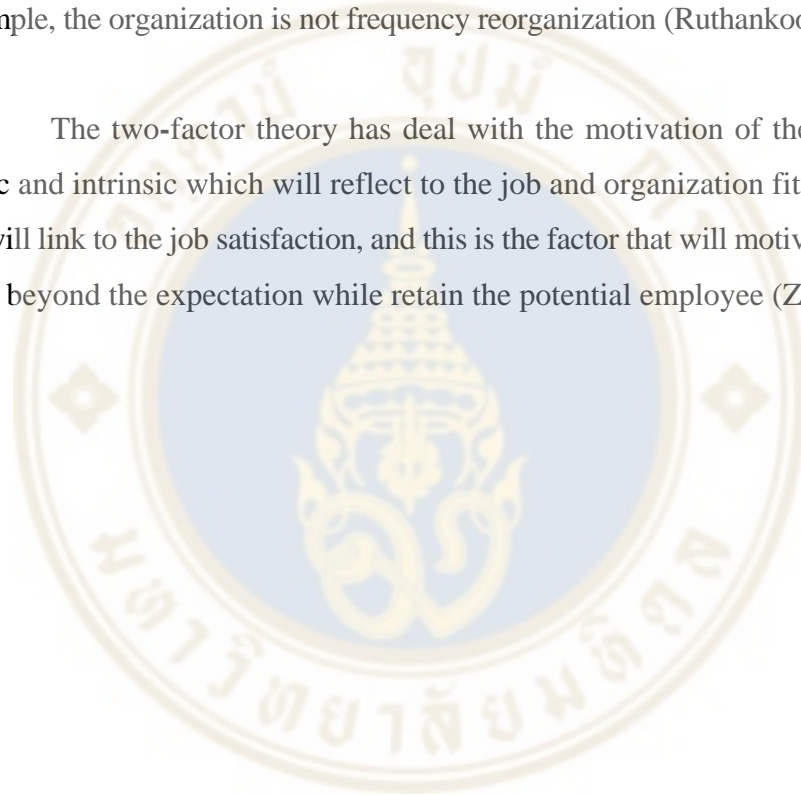
The first motivation factor is *Achievement*. This factor has deal with the positive achievement of the employee which may result from the successful decision making or the solutions to problem (Ruthankoon and Ogunlana, 2003). The second motivation factor is Recognition. The employee should be praised or honored when they do something good or accomplishment by the company, the team and managers (Tietjen

and Myers, 1998). By giving the recognition, it can make the employee confident in work as from the research has founded that 89% of employee agreed that it can create a better working culture (Zakkariya, 2015). Also, 75% of participants feel that by giving the recognition makes they want to stay at current organization longer (Zakkariya, 2015). The third motivation factor is *Work itself*. By this, it means the task assigned is being too hard or too easy for the employee (Tietjen and Myers, 1998). The task should be interested and challenge enough to keep improve the skill of employee while keep motivate them and let them enjoy the work (Ruthankoon and Ogunlana, 2003). The fourth motivation factor is *Responsibility*. This factor relates to the responsibility of the individual over the task they have been assigned. It is a kind of empowerment of the employee and the freedom to create the ways of work and making decision while having the supervisor as the coach (Ruthankoon and Ogunlana, 2003). It could be said that to give the ownership of the work to employee with minimize control although maintain accountability (Zakkariya, 2015). The fifth motivation factor is Advancement. This is about the promotion that move the employee to the higher level with the suitable time with expected or unexpected (Ruthankoon and Ogunlana, 2003). The sixth element is *Possibility to growth*. It is whether the employee can see the chance of career growth or the advancement opportunity in the organization to motivate them to perform well (Zakkariya, 2015).

In term of hygiene factor or extrinsic factor, the factor that can fulfill the individual needs which reflect to the perception of the job fit (Zakkariya, 2015). The first element is *Company policy*. This can be the cause for satisfaction or dissatisfaction because good or bad policy will affect the employee performance (Ruthankoon and Ogunlana, 2003). The company policy should not be too strict, but it should be clear and fair practice to be the direction for the employee (Tietjen and Myers, 1998). The second factor is *Pay*. The salary should be reasonable and appropriate for the qualification and company structure; moreover, it should be competitive enough compare to the market price (Ruthankoon and Ogunlana, 2003). The third factor is *Supervision*. It is about how the supervisor is willing or unwilling to delegate the work and give the responsible and ownership to the subordinates (Ruthankoon and Ogunlana, 2003). It is also about ability of supervisor to train, coach and mentor the subordinates to motivate them (Tietjen and Myers, 1998). The fourth factor is *Interpersonal Relation*. This factor is about the relationship of individual with the peers, supervisor and subordinates (Tietjen and Myers,

1998). This will reflect to the quality of work as the employee has to deal with other people in the organization which results in a good or bad collaboration in the team or across function (Tietjen and Myers, 1998). The fifth factor is *working condition*. This statement is related to the physical thing around the employee such as the facility, building and the location which is safe and appropriate for the employee (Ruthankoon and Ogunlana, 2003). The sixth element is *Status*. The employee's status in organization as categorized with appropriate structure (Tietjen and Myers, 1998). The seventh factor is *Job security*. It is whether the organization is able to provide the job security to the employee, for example, the organization is not frequency reorganization (Ruthankoon and Ogunlana, 2003).

The two-factor theory has deal with the motivation of the employee both extrinsic and intrinsic which will reflect to the job and organization fit of the employee which will link to the job satisfaction, and this is the factor that will motivate the employee to work beyond the expectation while retain the potential employee (Zakkariya, 2015).



CHAPTER III

METHODOLOGY

As the bank is an important industry in Thailand which is now suffering from the high turnover and less new generation intakes, so the main purpose of this research study is to explore and investigate the perception of generation Y towards working in banking industry nowadays and to elaborate the reason of not working with bank. This research's respondents will be focused on firstly the former bankers, the finance and banking graduate student who has not join the bank and the current bankers. Moreover, this research will conduct the recommendation from the generation Y workforce for the bank in order to adjust the way of doing business or the culture to match with the new generation to attract the potential candidates. After the secondary data analysis in literature review chapter which mainly focusing on the generation theory and motivation theory, they are all about the theoretical aspects but it is still no concrete example to represent the fact of current situation and the aspects from related respondents. Therefore, the real experiences from the person who have been working with bank will represent the current situation which it can be lead to the current problem. The need analysis of generation Y will be identified in this study such as the expectation of employee and how to motivate them. The qualitative method will give a chance for author to get the detail in term of attitudes and perception towards banking industry from the sample selection.

3.1 Interview Method

This research study uses the interview method as the author wants to get the in-side information from the specific group of respondents which will reflect to the result of the qualitative method and able to lead to the possible recommendation. The interview method can help the author to know the current situation in banking industry and the perception of related group towards the banks. Also, the interviewer and respondents can have an interaction during the interview and it can be the sharing experience session.

3.2 Sample Selection

This research paper is aimed for three groups of respondents who came from both local and foreign bank in Thailand and working both front-line and office. The first group is the generation Y who has left the bank and move on with non-bank industry. The objective is to understand the reason for leaving bank and get the in-depth information of working culture at bank when they were working. Moreover, it can be elaborated the expected working condition or the motivation from former employee for the recommendation. For this group, there will be 8 interviewees whose age is between 23-35 years old. Another target group is the respondents who are in generation Y graduated from finance and banking, but they are not working in banking industry. The reason for choosing is to get the in-depth information of the perception towards working in banking industry, and the reason for not working in bank. The reason for choosing generation Y is because currently, they are the major workforce and their characteristics are quite hard to predict from the social influence. This group can illustrate the brand image of banking industry which leads to the future development if bank would like to be the employer of choice. The last group is the respondents who currently working with banks. This group can describe the current situation of bank and how they feel about working there. Moreover, this group can tell us more about the working culture in banking industry currently, and what they want from bank in order to help the banks improve to satisfy the current employee while able to increase the brand image.

3.3 The Research Framework

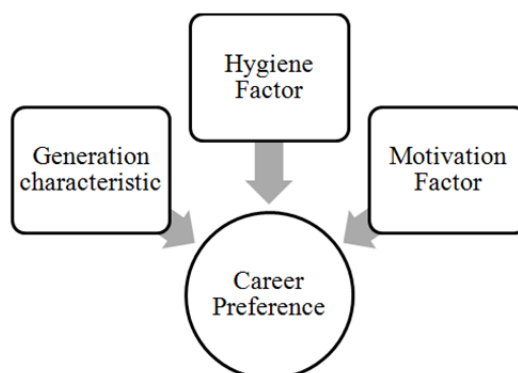


Figure 3.1 The research framework

According to the framework, this research paper will look at the generation characteristics of generation Y together with the motivation and hygiene factors as the indicator to analyze the career preference. From that external and internal factor, it will reflect the preference in working with banking industry nowadays and it can reflect the perception of new generation towards working with bank. It can be also illustrated the working culture that this generation finds matching with their working style.

3.4 Open-End Question List

Table 3.1 Open-End Question List

Sample	Fact findings	Questions
Former bank worker	General/Personal Information	1) How long have you worked for the bank? 2) What is your latest position held?
	Working condition	3) Can you describe the culture of the bank you work for and your team's culture?
	Job satisfaction	4) When working with bank, kindly explain what you satisfy/dissatisfy about working in bank? 5) If you have a chance to change anything at the bank, what is the thing you want to change? 6) Did you see yourself in 5-7 years if you are still working for bank? 7) Why you decide to leave the bank? 8) If there is a chance, will you rejoin the bank?
Currently banker	General/Personal Information	1) How long you are working here? 2) What is your current position?
	Working condition	3) Can you describe the culture of the bank you work for and your team's culture?

Table 3.1 Open-End Question List (cont.)

Sample	Fact findings	Questions
	Job satisfaction	4) When working with bank, kindly explain what you satisfy/dissatisfy about working in bank? 5) If you have a chance to change anything at the bank, what is the thing you want to change? 6) In 5-7 years from now, what position or working area will you be?
Non-bank worker	General/Personal Information	1) Where you are working now? 2) Why you choose to work there?
	Perception	3) In your opinion, what do you think about “working in bank”? 4) Since you are graduated in finance and banking, why you don’t work for bank? 5) If there is a chance, would you like to join the bank?

CHAPTER IV

DATA ANALYSIS

4.1 Finance and Banking graduate student

After the semi-structure interview with three groups of target respondents, the first group of respondents is the finance and banking graduates and accounting graduates who are not working in banking industry. The occupation of them are; self-employed, working in consulting field, FMCG industry and start-up company. First of all, talking about the perception of “*working in banking industry*”, all of the respondents are agreed that when they were young, working with bank is very attractive and part of the respondent choosing to study this major because they want to work with bank if they got a chance. However, when the time passed, the economics of has been fluctuated and there are a lot of negative feedback from both customer’s side and the employee itself, they tend to change their mind. The financial crisis and free trade have played an important role in banking industry, now banks are not the same, some has to merge with foreign bank in order to survive and some has to downsize to reduce the operation cost. Those are the external factors that force banks to change the way they do business from time to time, so some of the respondents are wondering that is the banking industry still a good place to work and for future development? Or is banking industry is still secured for employee as most the respondents have seen a lot changing in banking industry?

Some of the interviewees perceive that banking industry is old fashion industry but it is the main institution with a ton of paper work and traditional business with the elder workers. They also believe that the elder people tended not to change the attitudes or the way they work according to the industry situation. That is why some of the respondent has no longer interested in working with bank and they would rather go to other industries that have more innovation and stimulation for them to learn and grow. Most of them have heard a lot about a pressure from target and KPI in selling bank product such as credit card and insurance, so they got a negative attitude about how bankers work then they refuse to work with banks. “*I experienced a lot of call from agent and*

they offer me insurance, even I deny, but they are still call. I do not know why” said by the business owner. This is the example of negative attitude and brand image towards working in banks, and they do not want to this kind of work. On the other hand, the minority resists that if there is a challenge work which is not being the front-line sale, they are still interested to join because they believe that in the banks, there are the interested position to do and bank is one of the most secured institution in Thailand.

In addition, most the respondent told that the structure in banking industry seems to be hierarchy which they would prefer the flat organization if compare to other industry. They would rather go for flatter structure because they want to have an interaction with higher level to coach and train them to grow up in the career path. The hierarchical structure can create the barrier between boss and subordinates which can restrict the effective communication of quality feedback and career development. A manager from start-up company who graduate in finance and accounting major told that “*A junior level in banking industry is like “I am nobody” to the organization no matter how good you are or how hard you work.* It can make the employee feels that they are not recognized by the bank. It is because it seems to be a less chance to have a fast track career opportunity for the talent due to the hierarchy structure.

A senior consultant from consulting firm said that “*Bank worker is not active*” said by a business owner who has experienced in dealing business with bank agents. It is agreed by most the respondents because they view that in banking industry, it is shaped by a very strict policy which can restrict the innovation and the creativity to transform the bank to be more modern and attractive. The bank agents need to get an approval from the higher level which taking so long until the deal has done. This reason can be a barrier for employee that will not work beyond the expectation as they are restricted by the limited authority. This is about the empowerment factor that the organization should give the power to the representative in order to make the decision for better work quality and fast response to the customers while the employee can develop the skills.

For the work itself, most of respondent said that the job looks boring to them because it is more like a routine work rather than challenging job. After working for sometimes, the learning curve in one area is high enough, so the employee may want to extend the knowledge by the challenging task to unleash the potential. To get promotion, they think that it can be very hard and take a long time to grow in this field because

they see a lot of elder manager who would like to stick with the bank forever and there is no place for the junior to move up.

In term of salary and benefit, most of the interviewee realizes that the salary from the bank is less than other industry but the benefit is more attractive as it will relate to the financial matter such as lower interest rate for housing loan for employee. Those are the possible reasons of the selected respondents who graduate in finance and banking major but they are not working in banking industry. Both internal and external factors are forced banking industry has been not interested anymore for the majority, but some of them is still believed in this industry if the bank can design the job description to be more challenge and less on target in term of money.

4.2 Former Banker

Another target respondent is the former bank worker. The average service year in bank of this target is approximately 3.5 years. All of them have left the bank and join in other industry. Most of respondents told that what they really like when working with bank is the system especially in foreign banks. To illustrated, the system for both internal used and for client database are very helpful and make effective workflow. Those systems has been done to support the business to help the employee save the time when we want to retrieve the data or want to create the business transaction and it is easier for them trace back the transaction. *The former bank teller said that “when we have a stable system, we can provide the service faster and better. We have all evidence of the previous transaction by only search them”*. This is the thing that banks provide to make both employee and client done the transaction easier. However, for those who were working with local bank, they said that *“it is good to have the system, but for some local bank, sometimes, the system is not a friendly user and unstable then it will consume more time rather than helping us”*. Majority of them agreed that it is better to have a stable system like the banks do rather than doesn't have it anymore as currently, some respondent is working where there is no system and this makes them to do a lot of operational work. They said they are totally missing the time when they have the system as a tool to help their work got easier.

The salary and compensation package of the bank are relatively attractive from the majority of the respondent mentioned and this is another factor that they like when they are working with banks. They realized that banks are secured as it is the main institution in the country and the benefit can cover in many aspects such as family health insurance, low interest rate for personal loan or housing loan and the salary is relatively high compare to other industry. Some said that *“if there is a chance in the future, I would like to rejoin the bank because it is more secured and stable for them and their family”*.

On the other hand, only the job security is not the main driver to keep this generation in the organization even the package is so attractive but they are still seeking for other things from the bank. Most of the respondents agree that the hierarchical structure in banking industry is the thing that they do not like because it creates a big gap between the managers and subordinates. Majority of them have a very senior person as their managers, and they feel uncomfortable to work with because when they want to stimulate the new idea, the managers tend not to respect them by said that *“It is not going to work”*. Some manager does not respect the junior and ignore what they are trying to do as the managers believe that the juniors need to follow their steps to avoid the error. From the hierarchy structure, the author thinks it creates the power distance in the organization, and this can lead to the less innovation because no one wants to throw up the idea to improve or develop skills. Many respondents stated that they expect the family-like working culture where they can talk and consult everything directly to the manager, but it is hard to find this kind of culture in some team. *“We expect the respect from the managers to support and to keep the momentum”* said by the former bank teller. Even in some local bank wants to flatter the organization, but it is still be the hierarchy inside.

A former banker said, *“It is very hard for us to move up in this career path because it is going to take a lot of time as I see my manager is very senior like other team, so I need to work really hard in the same position for more than five years in order to get promotion and a lot more level to go, or you need to attend the management trainee program to get a fast track but it is limited for potential employee”*. The career advancement can be slow for this industry according to the majority of the respondents, and in each team, there is a very limited quota headcount each year, so it is quite restricting

the capability of the employee to grow. Most of them think that for them to move up, they have to wait for their managers to retire or leave the organization. It is also not guarantee that the vacancy will be filled by promote from within, most of the time, the bank recruits the manager from outside. Therefore, most of them decided to leave and grow up in other industry. It will be better if the promotion can be done by performance base and including promotion from internal candidates to be the motivation for the employee to keep improves their skills to reach the higher level, and to be the career path for them in the organization. At the end, those employees will stay loyal to the company.

The target pressure is one thing that forces the employee to leave. *“I need to leave the bank because the manager forced me to sell the bank product which I do not like it, and the manager cannot train me well enough”* said by the former bank teller. This happens a lot in local bank as we can see from the news that many customers are manipulate to buy the product which they do not intend to. This can create the struggle in working of employee, and would scare of the target. It leads to the high turnover rate over the branch sector. In this point, the author would like to recommend the banks to identify clear job description to avoid cluster and giving the clear direction to the employee. If the manager really wants them to do, it should have a proper training to let them have the confident to perform the job by avoiding being push too much sale to customer. The training is also important for front-line position because that employee will be the representatives of the banks, so it will be better to train the soft skills to improve the service quality and approaching skills. Half of the respondents said that they wish to have a variety training program in term of both technical and soft skills available at the bank because they want to explore the new knowledge and want to learn something interested, but currently, the training is still not meet their expectation. For example, in a formal foreign bank worker told that *“I can see only a few training programs at the bank which is not related to my current job”*. By having a proper and continuous training, it will make the employee feels that the bank does invest heavily in them. It can be a reason for commitment from employee as the Yers would love to have a continuous learning. They also mention that they want the learning environment because it will keep them want to improve all the time. It can be an opportunity for employee to learn and try new things all the time which is the main career preference of this generation.

In addition, most the interviewees agree that when they are working in bank for a few years, it is become a routine job and very specific to that position but it is hard to rotate because it is too specific in some area which quite restricts the career opportunity if you want to do another thing. This condition can be the factor that force employee to leave the bank to and find the challenge job elsewhere.

From mentioned above, it demonstrates both positive and negative aspects from the former bank workers which it can be really known about the current situation and working culture in banking industry. Most of respondents agree that if there is a chance to change something at the bank, they would like to change the attitude of the managers because they are the key man for employee to decide whether this company is suited them. They want the managers who really put effort on them such as learning culture in a team and the fair treat of every member in team.

4.3 Current Banker

For this group of respondents, they are the current employee in banking industry who has been working for banks both front-line and office. The culture that most of them describe is more like boss and subordinates. They will close to colleague who is at the same position but not for manager and higher level. A bank officer said that *“I only talk to the manager on performance evaluation day or only urgent matter”*. The power distance is notified here. However, one respondent said that it is depended on the team each one in because each team will have different practice as his experience. For this factor, it could be the barrier for generation Y as they are seeking for interaction between boss and colleague because they are very socialized. Moreover, Yers would like to get the quality feedback for future improvement from the boss who they can have an open discussion. If there is a power distance in the organization, it can create the uncomfortable working environment in the team which can lead to unproductively and end up with leaving the organization.

A financial analyst said that he once rotated from one team to another team and this experience made him realized that job rotating in this industry is very hard to happen. He said that *“I have to talk many times with the team to move to another also with HR, and it seems to be the bad experience”*. He said the bank is trying to open for

job rotation, but you have gone through a lot of discussion and internal process which take a lot of time to complete. The author would suggest having internal job watch to be the channel for employee to move up or move across function to encourage the career progress. This is to show the employee that the organization is giving the opportunity to do various job and motivate employee to keep develop themselves.

For the career advancement, most of the time the promotion is depended on the service year and performance, but in some case, there will be no position available, you will need to be stuck and wait until your manager has been promoted and then the position will be available for you. It can discourage the employee in one way because they do not want to work beyond the expectation as the chance to get promoted is very little. All the respondents said that *“Bank has an absolutely clear structure and career path, but you have to take time to move up”*. Unluckily, sometimes, the available position may be filled by the external candidate rather than promote from internal candidates. The service year is very matter in this industry. The interviewees also said that most of the time, they see the managers are recruited from outside and less likely to promote from within. This could be the reason for the employee to feel that they have to take long time to grow up in this career path. Most of them also agree that if there is a chance outside, they would take the opportunity because they are still seeking for the challenge and variety task to do as they are eager to know as much as they can. Part of them still believes that by going outside, their career opportunity will be moved up faster than stay with the bank. Only a few respondents still want to try their best at the bank and would willing to work hard to reach the higher level. The author suggests that the promotion should be done with the performance management rather than tie with the service year as they have seen a lot of potential employee needs to leave the banks because they cannot wait too long to get promotion and feel that the hard work that they done mean nothing to the bank.

For the performance management, half of the respondent stated that *“It would be nice if the bank can implement 360-degree performance management”*. They said it is because sometimes, they want to feedback the managers and want to tell what they exactly want from the manager. It is a kind of two-way communication. The author believes that this is a good idea because the performance management system will truly help the banks to improve the culture which lead to employee satisfaction.

A product assistance manager said that *“Working at bank, what I have to concern is about the very strict policy from the bank itself and from the bank of Thailand, so it is not a challenging work compare to other industries that they have less restriction”*. Those rules and regulation is the factor that can restrict the new idea, so the employee may need to have less expectation on the creativity. A marketing officer said that *“It will be hard for banks to be more modern like other industry because the way they do business has been restrict by the policy, but it is depended on how dare each bank can step out from the restrict zone to change and shape the new image of banking industry soon”*.

Talking about compensation and benefit, the current workers are quite satisfied with the salary and benefits from the bank and all of them realized that it meets the market rate for salary. For benefits, all of respondents said that it is very good because the benefit covers to their family and other financial issue that bank can subsidize or giving lower rate of interest.

There is a recognition program in the bank to celebrate the outstanding employee. The news will be spread out by email for celebrating the employee’s goodness. This is the good activity that banks provide to the employee. *“My teammate has received a very positive comment from the customer after that she was on the announcement to celebrate her hard working. I was also proud because she made our team become remembrance”* said by a bank teller. This is the intrinsic reward to motivate and the employee will feel the honor on their hard working which can win the heart of employee. It encourages the employee to work beyond the expectation. The outstanding employee can be a role model and good example of the result of hardworking for the other employee. The author is very positive with this program and would recommend for other organizations.

The interested fact finding from the interview is the workload. All of respondents agree that they are facing workload condition but there is not enough resource in the team to delegate the work. It is very hard to take off the desk on time even in a higher level, but you must do the operation work which takes a lot of time to finish. One respondent mentions that *“It become normal for me to go back home at 8 pm because there are a lot of work to do and there is not enough headcount to recruit the assistance”*. The workload will affect the work-life balance idea. The characteristic of Yers are looking

for the work-life balance, and this could make the potential candidates stay away from the banks.

After data analysis, this research study found that the talent war is now coming and knocking at banking industry. Banks have lost potential employee to other industry such as IT industry and consulting industry which most of them working out the best solution to fit with generation Y's characteristics. Now bank is not an employer of choice for Yers from the intense talent war. Economic is also a major factor that making banks look like a tradition institution for comfort zone employee and routine job lover. Those are the external factors that forced bank to face with this situation.



CHAPTER V

DISCUSSION

5.1 Conclusion

From the interview, the author realized that in term of external party, they tend to have negative attitudes about the way banking do the business which affect to the trustworthy of financial institution. This leads to the negative word-of-mouth that floating around. Furthermore, the bad experiences can affect to the future workforce's mindset about working in bank. It makes banking industry has less attractive among those targets. However, there is still some positive feedback from both current and former employee to making this industry look interested in some way such as compensation and benefit. On the other hand, the monetary thing may not that attractive for Yers as they are the generation that more concern about the intrinsic motivation. They are craving for leaning and development, social and connection and the career advancement including the leisure. Those are the drivers of them to make them stay loyal while doing the work beyond the expectation. Banking industry is working far behind to get closer to the talents compare to the competitor such as IT industry and consulting industry and this makes the banks lost a lot of potential candidates to those industries. Now, the labor market is moving to talent war, and most of company is trying to offer the attractive working environment to satisfy the employee. Banks should work very hard to catch up the candidates and able to be the employer of choice.

According to the literature review in motivation theory, this study found that banking industry is still unable to deliver the motivation factor to encourage and attract the employee.

In term of *Achievement*, this factor has deal with the empowerment that gives the employee an authority to make a decision and recognized if those decisions can bring the success. However, due to the hierarchical structure, it restricts the authority for key position to make decision which cans faster response to the customer. This factor is looking cluster in this industry which may not fulfill the positive achievement to employee.

For *Recognition*, the recognition program is a tool to mark on the successful employee where they can celebrate the goodness and become the good example for other employee. In an organization, this program can increase the motivation and keep momentum of employee. In term of *Work itself*, in the bank, it is a routine job for some position and the job itself sometimes it is too specific in one area. It can restrict the capability of the employee to move across to other function or it may be hard to develop other skills. Yers are loved to do the challenge job and give them the opportunity to rotate in various areas, thus, working with bank may not give them the opportunity to do the various task and freely rotate to the area that they want to do. The job should be able to unleash the potential capability of the employee. For the *Responsibility*, this factor links with the organization structure of the banks, for the junior level, the responsibility will not be significant because it will belong to the manager. The junior level which most of them are Yers, they are only given out the small piece of work or just work piece by piece. This factor may not be the answer for this generation Y. For the *Advancement*, there is a clear structure as the career path to be the guideline for employee to go through but it will take time and hard working to reach the star. It could be said that banks can provide the career advancement to the employee which Yers can see themselves in the future. For the *Possibility to growth*, at the banks, there is a career path but it will be in silo structure rather than across function. Absolutely, there is a possibility to growth for the banker, but it is going to take a long time to climb the ladder which may not be a good choice for Yers as they would love to get fast track career advancement. It is because they would dedicate themselves for work if the work can make an impact such as promotion.

For the hygiene factors which are the extrinsic factors, it will be the factors that can define the employer of choice for the employee. Starting with *Company policy*, bank is the main institution in Thailand; therefore, it is crafted by a very strict policy in the way they do business. Banks should do the transaction with conscious because it will affect to the trustworthy of the customers and avoid being risk from the unstable economics. It may too restrict for generation Y because most of them are loved the flexible things, so working in banks may not be a good choice for them. In term of *Pay*, banks can do a good job in this factor as they can provide an attractive salary and benefits to the current employee while attracting the future employee. For the *Supervision*, this will be involved with the hierarchical structure because it can create the power distance

between supervisor and subordinate. Yers would love to have an interaction with the supervisor because they are seeking for the quality feedback as well as the knowledge transfer from the supervisor. If banks can flatter the organization, it can reduce the gap of power distance, so it will be more interested. For *Interpersonal Relation and Working Condition*, in this factor, there is no supporting data as it will depend on personal issue. For *Status*, this could be linked to the title of position which banks can provide a clear category, so there is no doubt with this status. For the *Job Security*, Yers are still looking for job security even they has entrepreneur in their blood. Banks can provide the job security for the employee as they think that it is the main institution of country, so they feel secure to be there.

Table 5.1 Fact findings

2 factor theory		Fact findings
Motivation factor (Intrinsic)	Achievement	<u>Less:</u> The limited authorization in decision making > the employee is unable to unleash the potential capability
	Recognition	<u>Satisfy:</u> Provide recognition program as the good example for others by Town hall and announcement email
	Work itself	<u>Less:</u> Routine job/too specific in JD/forced to do unwanted task i.e. selling product
	Responsibility	<u>Less:</u> Limited authorization in decision making lead to less empowerment
	Advancement	<u>Less:</u> A clear organization structure but take time to reach the goal
	Possibility to growth	<u>Satisfy:</u> A clear organizational structure as the career path
	Hygiene factor (Extrinsic)	Company policy
Pay		<u>Satisfy:</u> Pay at market average with attractive benefit package

Table 5.1 Fact findings (cont.)

2 factor theory		Fact findings
	Supervision	<i>Less:</i> Power distance from hierarchical structure
	Interpersonal Relation	N/A
	Working Condition	N/A
	Status	<i>Satisfy:</i> Clear organizational structure as the direction to achieve future goal
	Job Security	<i>Satisfy:</i> Financial Institution/Salary and benefit package

In conclusion, banking industry may not be an employer of choice for generation Y from the factors that mention above, and most of the dissatisfaction factors are deal with the intrinsic motivation which is the main driver of individual to choosing one company. Especially for generation Y, they are still looking for continuous learning as they want to keep their learning curve high and they want a meaningful work as well as a unique culture which give them a flexible way of working. If the banks are still strict with the traditional way of working, they will lose the potential future employee to other industry and making way of working in bank seems unattractive. It is a time for banks to change the way their working to be the institution where it is a place for learning and practice to develop and unleash the potential of employee to become an employer of choice again. Particularly, now, we are so fantastic with Fintech and banks already have the knowledge about financial transaction. They can use this opportunity to create value added service to the customer while transfer those knowledge to improve the brand image to attract future customer and future employee.

5.2 Recommendation

Coming to the solution, the thing that most of respondent and the author would like to ask from the bank is being flexible. First flexible is the flexible hour, it is

because most of them believe that the quality work is not depended on the length of working hours. It would be great if the employee can have a chance to manage their working hours, so they can have a work-life balance. Also, working from home can be a good option because it can save travel time from home to office. However, this could be done in some position. The second flexible is flexible benefit. *“As a teller in branch, I cannot access to some certain benefit such as fitness center, so I have lost my portion of benefit”* said by a current bank teller. The company can compensate what they have lost by subsidize money or more vacation. It is because in one organization, the employee will have different needs. For example, some would love to have many vacation leave for leisure, but some would more concern about the health. It would be great if the company can provide the customize benefit to match with the needs of the employee. This kind of benefit will make the employee realized that the company does care of their wellbeing. It is a way to make the employee feels the freedom and really touches on the word work-life balance.

The second recommendation is to flatter organization. This recommendation may need a lot of effort from top management. As it can be seen from the fact findings, all target group of respondents is struggled with the hierarchical structure in banking industry and this thing create the power distance between supervisor and subordinate. It will be better if the banks can flatter the structure to reduce the gap between senior and junior to create the sharing culture in the organization. Generation Y would love to have supervisor that they can talk directly and confident to ask the feedback or suggestion. It can create the effective communication in the banks which lead to the high productivity. The manager is one of the important factors that encourage the subordinate to stay loyal or move on with other company because the manager is the role model as well as the developer in the team. Manager can be the influencer and inspiration for working beyond target. Most of Yers will expect the interaction with manager to seek for the improvement and knowledge sharing, and please do not forget that Yers loves learning and development. They will stay in a company as long as the company can keep their learning curve high. If the banks can reduce the power distance in the organization, it can change the image to be more innovative and learning culture.

The third recommendation is about performance management. From the interview, the author knows that the banks already implemented the PM; however, it

will be more useful if they can focus more on the challenging task rather than service year. The rater should add the reward system with to make it more attractive and able to motivate the employee to work beyond the expectation. It is one way of recognition program that can fulfill the intrinsic motivation. The reward can be both intrinsic and extrinsic reward as it depends on the characteristic of individual. Especially, if the organization can make customize PM according to the employee preference, it can increase the motivation. Also, the PM can keep challenging the employee by SMART goal to make the career advancement more visible and realistic. This will create the new perception of employee that bank is the place where you can grow and continuous learning and it can reflect the flexible way of working in banking industry.

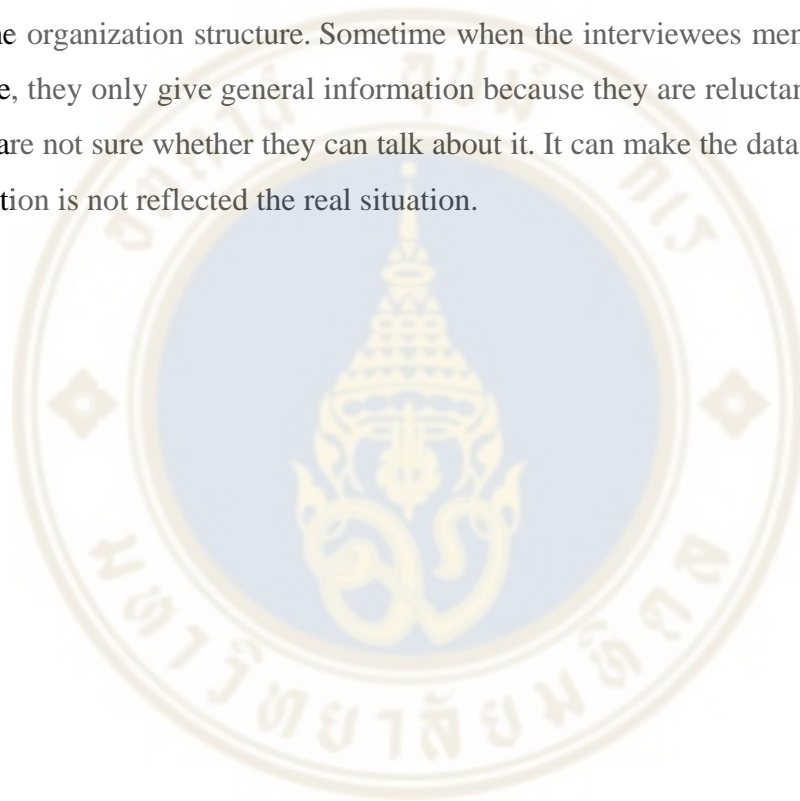
The fourth recommendation is to redesign job description. Bank should redesign JD to make the work in bank is more attractive and challenge. It should not too specific to limit the capability to grow, but it should not too flexible to be unprofessional. It should unleash the potential of employee while let the employee learn variety skills. From the characteristic of Yers, they would love to work in various tasks to try and study in their interested area and they would love the organization that gives them the opportunity to learn. They also want to work in the company that give them a chance to rotate across function and able to grow in silo structure.

The fifth recommendation is to transform to knowledge institution. As banking industry already has the knowledge about the financial term and investment, so the researcher would like to recommend the banks to change the strategy. It can improve the image of working in banking industry from traditional transaction service to knowledge institution because Yers would like to stay loyal with the company that give them the chance to learn and work at the same time. As mentioned above the characteristic of Yers, they are seeking for the company that can keep their learning curve high. This recommendation can increase the EVP and able to attract the future candidates.

Those are the recommendation from the author after conducting the interview. If the banks are able to realize the characteristics of Yers, banks will know that they are really hard working generation and very passionate about the work that they love. Perhaps, Yers will stay loyal to the company if they think that it is a place for them. Thus, if banks can implement them the right strategy, the author believe that banking industry can be the employer of choice for Gen Y.

5.3 Limitations

The first limitation of doing this research is about the time limitation. As this course takes only 12 weeks, the researcher has less time to study in-depth literature including the interview. Moreover, the interview was taking only two week which is very tight for the research to collect the data because some respondent has busy during the interview period. The second limitation is about the confidentiality. Due to the rule and regulation, in banking industry, it gives some limit to access some data and the organization structure is not well disclosed. It gives the researcher a hard time to study about the organization structure. Sometime when the interviewees mentioned about the structure, they only give general information because they are reluctant to talk about it as they are not sure whether they can talk about it. It can make the data mislead as some information is not reflected the real situation.



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