

# IT Staffing Requirements in the Swiss Financial Industry

**Report based on the itopia 2023 survey and itopia benchmark time series**

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# Summary

## 1 – Above-average staffing needs in the financial ecosystem

In 2022, +9% more IT professionals were employed by survey participants and a similar increase is forecast for 2023.

The current demand in the financial sector exceeds several times the estimated average across all industries of just under +2.3% p.a. until 2030.

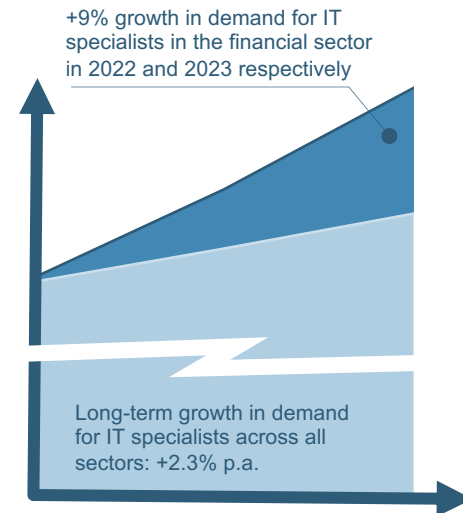
## 2 – Agreement on the critical personnel profiles

The participating companies have a clear and largely consistent picture of the essential roles in their IT: the top 5 profiles stand out distinctively.

Recruitment is difficult mainly for profiles with a lot of experience, and for roles that require both in-depth IT expertise and a broad understanding of business.

## 3 – The situation is tense, but not critical for business

The financial and IT service providers see no relief in sight, but see themselves as attractive employers and continue to expect only selective effects of the IT skills shortage on their projects.



# Participants and dimensions of data collection

## Participants:

37 companies participated in the itopia survey on this year's focus topic '**IT staffing needs**'. The survey was conducted between 13 March and 30 April 2023.

In addition to the banks surveyed by itopia on a recurring basis, the picture was rounded off by responses from other companies in the Swiss financial industry and their IT service providers.

## Dimensions and data basis:

The survey collected **key figures on IT employees, IT profiles and skills, personnel management** and the assessment of the current **labour market**.

The responses to the focus topic were supplemented with data from the current and previous IT cost surveys.

### 1 Key figures

Development of internal IT FTE and IT OPEX  
Number of internal and external IT FTE  
Internal IT headcount  
Fluctuation

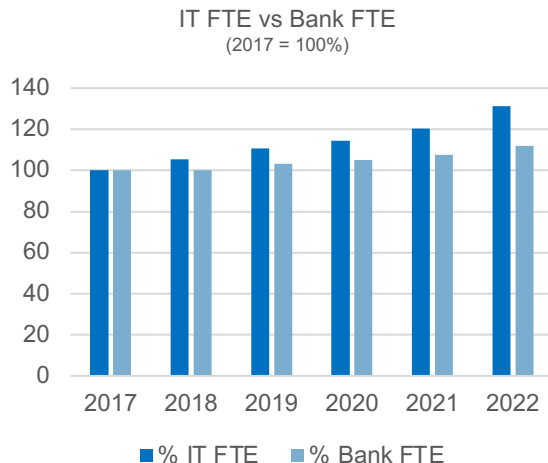
### 2 Profiles and skills

IT profiles and skills relevant to business strategy  
Building profiles and skills  
Recruitment challenges

### 3 Labour market and workforce management

Assessment of the labour market situation  
Impact on projects/initiatives  
Measures in workforce management

# The number of IT employees in the Swiss financial sector is growing strongly.



The 37 participating companies employed a total of 7,058 full-time equivalents (FTE) in internal IT at the end of 2022.

Based on the data for returning participants of the itopia survey, a clear picture emerges:

- The number of IT employees has increased by an average of 5.6% every year over the last 5 years, while the total number of employees has only increased by 2.9%.
- Over the same period, IT expenditure increased at an average annual growth rate of 5.1%, while total corporate expenditure increased by an average of only 2.9% per year.



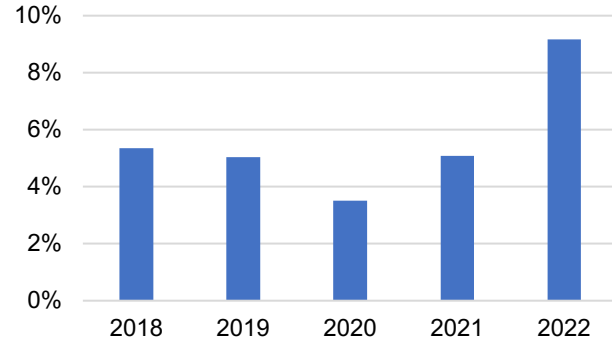
## Interpretation

It is hardly surprising that **increasing digitalisation is leading to increased expenditure on the IT side.**

The **labour market apparently allowed for the necessary reinforcement of internal IT resources:** in addition to compensating for fluctuation, significant growth of the IT workforce in the financial ecosystem was possible.

## Increase in IT workforce by 9% in both 2022 and 2023

% Growth internal IT FTE 2018-2022



		Status end of 2022	Planned end of 2023
Internal IT staff	FTE	7'058	plus 9%
	HC	7'463	plus 8%
Fluctuation	%	6%	
External IT staff	FTE	2'043	stable

Since 2022, the demand for IT professionals has been accelerating:

- While the average growth rate was 5.2% from 2018 to 2021, the internal IT workforce increased by 9% in 2022;
- growth of 9% is also projected for 2023.

### IT resourcing

- The 7'463 internal IT specialists were supported by external experts to the tune of 2'043 FTEs in 2022; the external share of the IT personal resources thus amounted to 22%;
- the total amount of external support remains unchanged in 2023, with individual shifts due to strategy.



### Observation

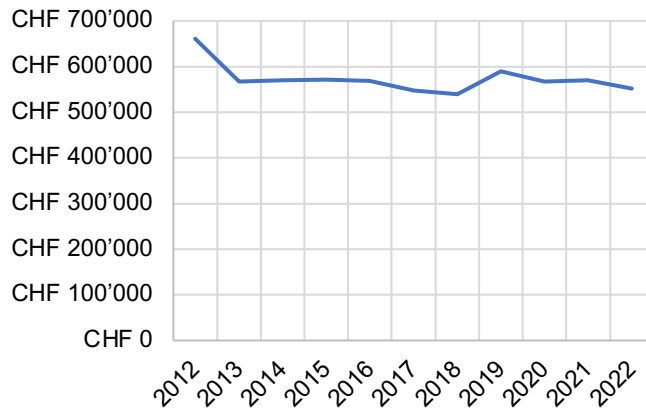
The current demand for additional IT professionals in the financial sector (+9%) exceeds several times the estimated sector average of just under 2.3% p.a.<sup>1)</sup>

Together with attrition (estimated at 6% based on the survey), new recruitment of an average of 15% of the IT workforce would be necessary in 2023.

<sup>1)</sup> Demand forecast 2030 by the IWSB on behalf of ICT-Berufsbildung, 2022

# People are an irreplaceable factor in IT

IT OPEX per (internal) IT FTE



In the long term, an unexpected effect becomes apparent:

- In the last 10 years, the total IT expenditure of companies per internal full-time IT employee (FTE) has ranged between CHF 540,000 and 590,000: this value is surprisingly constant.
- For every million francs spent on IT, an average of 1.8 internal IT specialists were employed.
- Companies with high internal IT production employed an average of 2.2 FTEs per million, while banks with a lower internal IT production due to outsourcing employed just under 1 FTE per million.



## Interpretation

The **ratio of internal staff input per million IT expenditure remained remarkably constant**:

It can be concluded from this that there was no significant change in IT production over the observation period: such a change would otherwise probably be reflected in the ratio of IT expenditure to IT personnel.

# Companies rate similar profiles as critical for the implementation of their business strategy

	Change control Product Owner, Scrum Master Release Mgmt, Project Mgmt.	Security	Business analysis	Data engineering Data mgmt	Architecture	Full-stack engineer development	Provider mgmt Service / delivery mgmt.	Application management	Infrastructure development Platform management	Frontend development	Backend development	Other	Operation & end-user support
<b>Strategic profiles</b> (‘Important and central profiles for optimal support of the business strategy’)	25	24	22	21	21	11	8	7	5	4	3	3	2
<b>Construction / capacity expansion</b> (planned in 2023)	13	13	7	10	13	6	7	2	3	6	3	5	2

Most frequently mentioned   Least mentioned

## Implementation of the business strategy requires specific profiles in IT:

- **The survey participants rate the following roles as central:** ‘change control’, ‘security’, ‘business analysis’, ‘architecture’ and ‘data engineering’.
- **Secondarily relevant are:** ‘full-stack engineer’, ‘provider and service management’ and ‘application management’.

It is noteworthy that profiles such as ‘infrastructure development and platform management’ receive significantly fewer mentions; in the comments, reference is made to the importance of cloud/cloud engineering and APIs.



### Observation

The participating companies have a **clear and largely consistent picture** of the essential roles in their IT:

The **top 5 profiles stand out clearly** from the remaining 8 other categories.

# Recruitment focuses on strategically important profiles whose availability on the market is poor

		Change control Product Owner, Scrum Master Release Mgmt, Project Mgmt.	Security	Business analysis	Data engineering Data mgmt	Architecture	Full-stack engineer development	Provider mgmt Service / delivery mgmt.	Application management	Infrastructure development Platform management	Frontend development	Backend development	Other	Operation & end-user support
Difficulty of procurement (recruitment or internal staffing)	1: Normal	5	1	8	0	1	1	2	2	1	1	1	0	4
	2: Difficult	20	11	14	16	11	7	10	3	6	6	2	2	0
	3: Very difficult	1	15	3	5	12	7	0	1	2	1	4	1	0

Most frequently mentioned   Least mentioned

## Recruitment

- The normal case is assumed to be filling a vacant position within three months; except in operations and support, where positions often cannot be filled within this timeframe.
- For difficult-to-fill roles, it is assumed to take 3-6 months from the start of the search to the start of the job, with selective trade-offs in qualifications and/or concessions in terms of employment conditions; the majority of IT positions are filled within this timeframe.
- For very difficult-to-fill roles, it is assumed that it will take more than 6 months to fill the position, usually with compromises on qualifications and/or accommodating terms of employment; only security and architecture roles usually require this much patience.

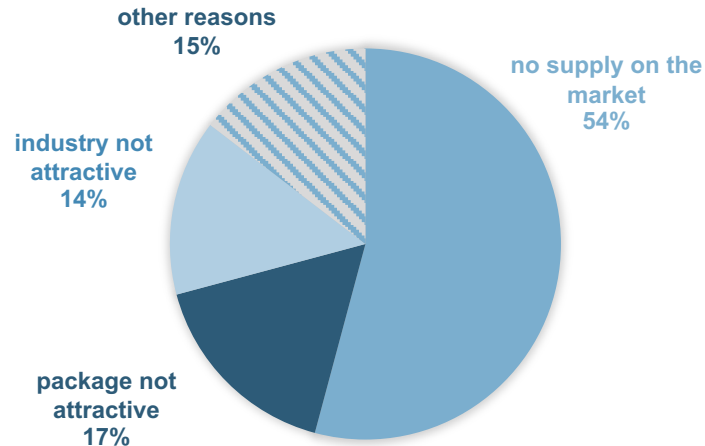


## Interpretation

Particularly in the case of profiles where **deep IT and broad business understanding** as well as **many years of experience** are important, there are **challenges in recruitment**.



# The financial sector sees itself as an attractive employer for IT professionals



70% of the interviewed companies see the biggest challenge in recruiting in the lack of supply on the market; in particular, profiles with high seniority are hardly available.

Other factors are mentioned, but always subordinate or in addition to the market situation:

- Less than 20% of the participants rate the financial sector as comparatively unattractive
- Only one fifth of the financial service providers see difficulties in meeting applicants' expectations regarding employment conditions and salary

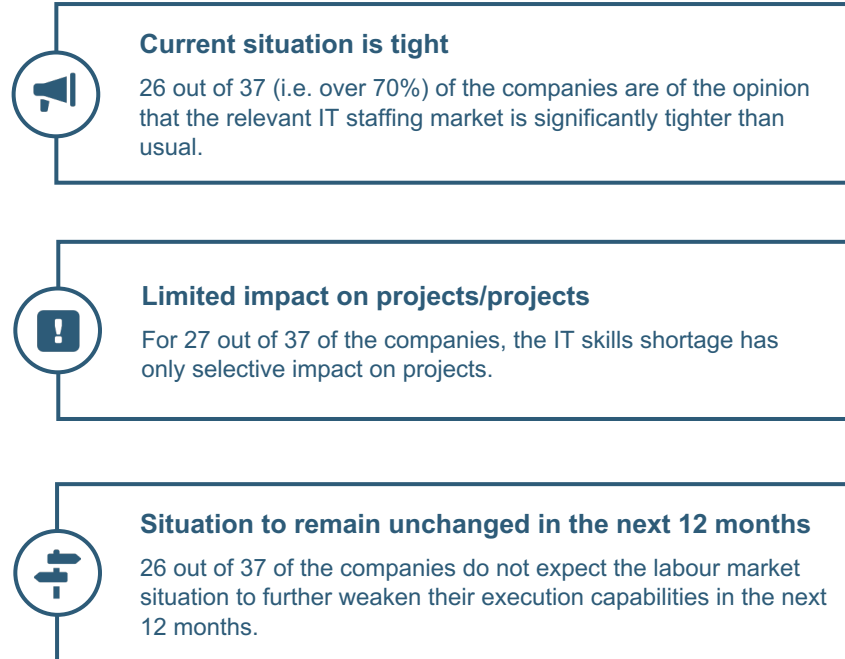


## In summary

Where **decentralised working** is possible, for example in development, the increasingly **international sourcing models** are probably also alleviating the pressure.

It is questionable whether the **low demand for infrastructure and platform skills** is already a result of new delivery models such as **cloud**: migration, but also its use, **continues to require competence in IT engineering** to ensure the required operational stability, performance and operating costs (keyword: non-functional requirements).

# The IT labour market is and remains tight - impact on strategy & change



## Interpretation

It is possible that companies will continue to be able to **convince an above-average number of IT specialists to move to the financial industry**.

In any case, the **scarce specialists must be put to effective use**: Difficulty in recruiting experienced IT experts, lower revenues per client and stagnating employee productivity at banks <sup>1)</sup> require increased focus on the design of the IT project portfolio.

<sup>1)</sup> see itopia cost survey of Swiss banks 2022/2023



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