

AI Adoption in Financial Services: Rethinking Talent for a Digital Future

MASSEY HENRY EXECUTIVE TALENT BRIEF

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INTRODUCTION

Artificial Intelligence (AI) and Machine Learning (ML) have emerged as a disruptive force with the potential to transform various industries, including financial services.

As AI adoption in the financial sector continues to expand, examining its **talent implications** will be critical as organizations, and leaders, navigate this quickly evolving technology.

In this article we examine talent implications for AI adoption, including the importance of:

- **New skillsets and competencies** required for financial services leaders and professionals
- **Workforce transformation**
- **Ethical considerations**

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Massey Henry is a leading Canadian executive search and advisory firm, offering solutions to today's complex executive recruitment challenges, with a focus on the financial services sector.



Michael Henry
 Managing Partner
michael.henry@masseyhenry.com

FROM OUR NETWORK



*As an entrepreneur, investor, and leader focused on innovation and technology—such as during my time at MaRS—I have witnessed the **transformative impact of artificial intelligence (AI) across industries, including financial services.***

*AI is reshaping leadership competencies and driving organizational change, but also brings ethical considerations that must be addressed. As I discussed during a recent panel hosted by Massey Henry, **financial institutions must prioritize upskilling, adaptability, and ethical leadership to harness AI's potential and navigate these shifts effectively.***



Yung Wu
 Chair, Board of Directors,
Toronto Region Board of Trade
 Board Director, **OMERS**

NEW COMPETENCIES

Integrating AI technologies in financial services demands new skills and competencies. Traditional roles, such as data analysts and financial advisors, now require a deeper understanding of AI algorithms, ML, and data extraction techniques. In addition, a sound understanding of financial analytics is required to utilize AI applications effectively.

*A recent study conducted by the Chartered Financial Analyst (CFA) Society determined that approximately **20% of all CFA holders are pursuing additional education in AI and ML techniques and technology applications.***

Growing Prevalence of New Roles

Many new roles, such as AI specialists, data scientists, and algorithm auditors, will become prevalent in the financial services industry.

These professionals are responsible for developing and maintaining AI models, optimizing algorithms, and ensuring compliance with ethical and regulatory standards. At present, it is clear that these competencies and skills are in limited supply, and many sectors of the economy are competing for talent from the small labour pool.

Upskilling Initiatives for Employees

Financial service organizations must offer educational programs, mentoring, and coaching opportunities.

In addition to an emphasis on external talent acquisition to address the skill gaps posed by AI adoption, organizations must offer opportunities to upskill their employees in this field. Furthermore, organizations should consider redeploying high-performance generalist employees to areas that require astute judgment, creativity, and relationship-building skills, such as strategic decision-making, compliance, and client engagement. These skills will be in high demand to help companies navigate the impact of AI adoption within the organization and in the marketplace.

ORGANIZATIONAL AND CULTURAL TRANSFORMATION

The adoption of AI in financial services will lead to a significant transformation of the workforce and organizational culture. Routine tasks, such as data entry, document processing, and basic customer service, will be increasingly automated, resulting in a shift in job responsibilities and required competencies.

Collaboration and innovation skills will be in high demand as organizations respond to new market entrants, products, and service offerings, as well as an increasingly digitized customer base.

Consequently, financial institutions must realign their workforce strategies to **attract new talent, upskill existing employees, and retain new and older cohorts** for increasingly more complex tasks.

Key Considerations

To support such transformation efforts, organizations must foster a culture of:



Agility



Continuous learning



Collaborative innovation

ORGANIZATIONAL AND CULTURAL TRANSFORMATION

*The financial services industry, in general, has historically constrained **innovation and experimentation**. While necessary, the increased focus on risk and compliance following the 2008 financial crisis has also presented barriers to innovation.*

To overcome these barriers to innovation, **executive leaders must establish purpose-driven organizational values** to enable the organization to succeed.

These cultural change initiatives must cascade from the top, enabling all levels of the organization to **embrace the change, take risks, and learn new approaches** within a well-established framework that defines organizational principles.

These principles are needed to help the organization deal with the impact of rapid transformation and the ethical considerations of AI.

Ethical Considerations

As AI becomes more prevalent in financial services, ethical considerations are paramount. The decisions made by AI algorithms may have profound implications for customers, businesses, and society at large. Consequently, organizations must ensure that AI systems are designed and implemented to align with **ethical principles, fairness, and transparency**.

THE BOTTOM LINE

Adopting AI in the financial services industry brings significant opportunities and challenges. Organizations must recognize the talent implications and **invest in reskilling and upskilling their employees** to ensure a knowledgeable and adaptable workforce.

The AI transformation will require a strategic approach, encompassing **acquiring new skillsets, reimagining job roles, and developing an ethical framework** to guide the responsible use of AI technology.

By embracing the talent implications of this industry shift, financial institutions can leverage AI's potential to drive innovation, improve decision-making, and enhance customer experiences.



ABOUT MASSEY HENRY

Massey Henry is one of North America's leading executive search and board advisory firms focused exclusively on the financial services sector. With an experienced team of industry leaders and executive recruitment specialists, the firm combines innovative technology with sector expertise to provide clients with full-scope talent assessment, coaching, succession planning, and executive search services.

What makes us different?

Financial services clients are our only priority.

Unlike traditional search firms, we are not generalists. Whether corporate and commercial banking, insurance, asset management, or fintech, we are a specialized firm that understands the nuances within the financial services sector, allowing us to build a deep network of vetted candidates from coast to coast.

We have led executive searches across the spectrum of the financial services industry, including:

- Retail and Commercial Banking
- Insurance and Reinsurance
- Asset & Wealth Management
- Capital Markets
- Family Offices
- Credit Unions
- Private Equity
- Fintech
- Payments
- Corporate and Investment Banking

Some of the roles we have supported include:

- Board Chair and Directors
- Chief Executive Officer
- Chief Risk Officer
- Chief Product Officer
- Chief Human Resources Officer
- Chief Financial Officer
- Chief Compliance Officer
- Chief Client Experience Officer
- Chief Payments Officer
- Chief Investment Officer
- Chief Operating Officer
- Executive Vice President, Digital & Strategy
- Vice President, Cybersecurity
- Vice President, Finance

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