



The New Talent Reality in Financial Services

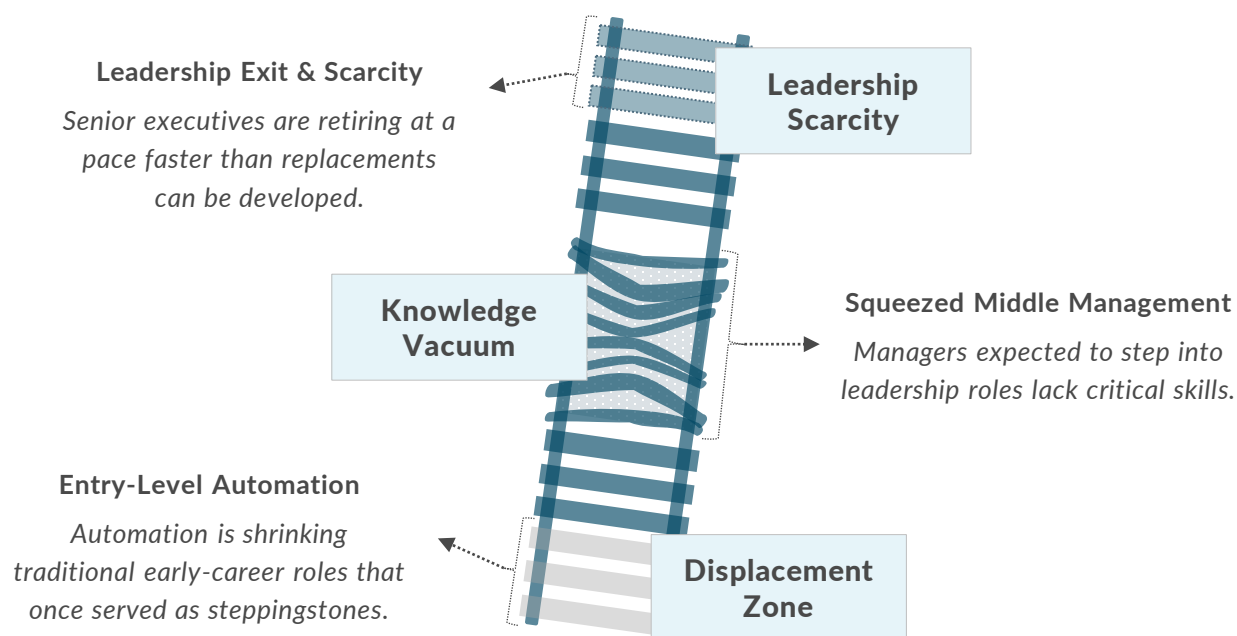
A data-driven view of leadership exits, mid-level skill gaps, and entry-level disruption—and what it means for the workforce of tomorrow.



The Breaking Career Ladder

Financial services firms are confronting profound shifts in how talent enters, advances, and exits the industry.

Traditional career ladders—once a reliable mechanism for developing leaders and sustaining institutional knowledge—are under pressure from demographic change, automation, and evolving skill demands. What was once a steady flow of talent from entry-level through senior leadership has become increasingly fragile. The balance between supply and demand is tilting, with gaps forming at critical points along the career ladder. These cracks not only strain current operations but also raise questions about the industry’s long-term capacity to maintain continuity and competitiveness.

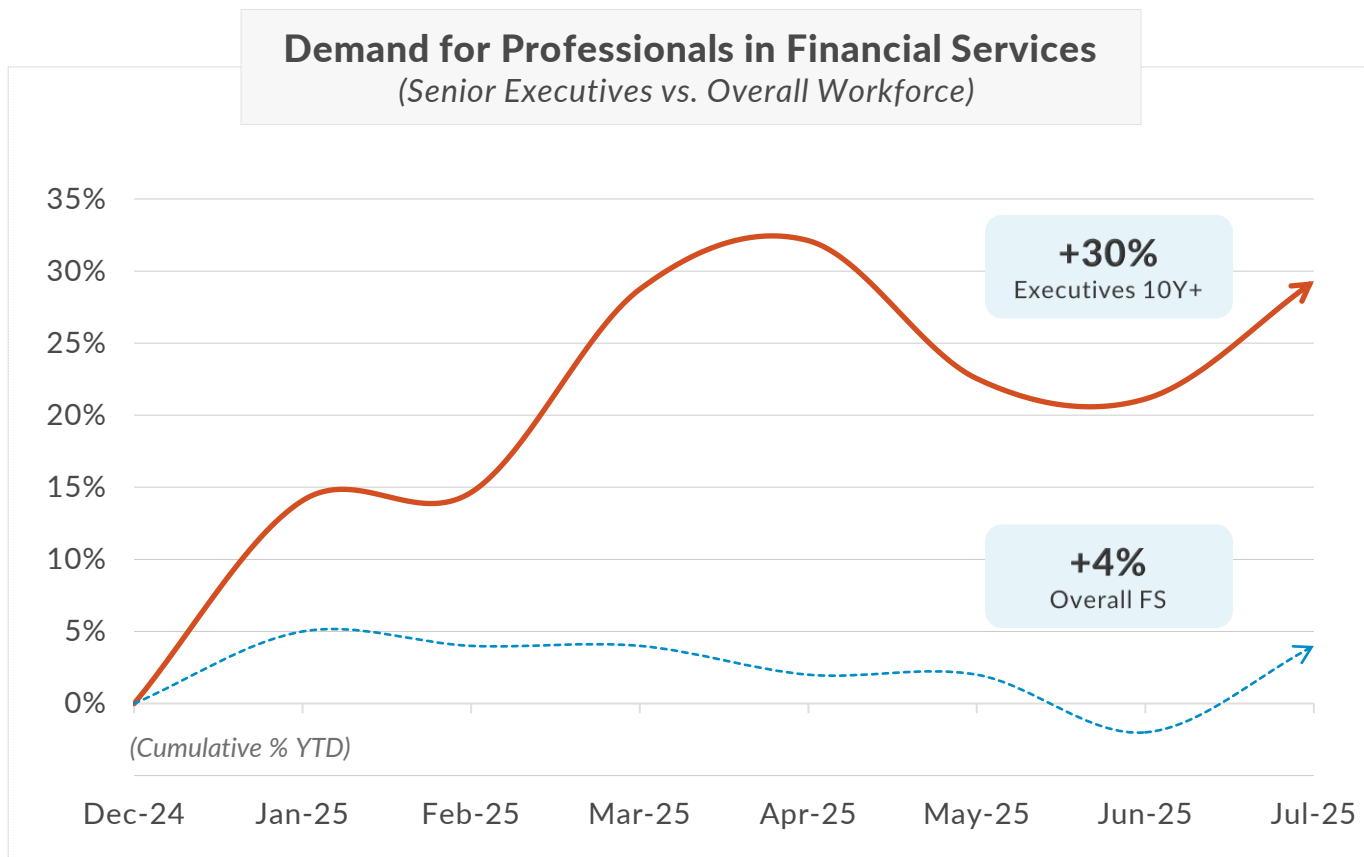


LevelUP’s Talent Intelligence team analyzed workforce data across the financial services industry to map where these pressures are most acute. The findings reveal how dynamics at different stages of the career ladder interact to reshape the entire talent ecosystem. The result is not a snapshot of isolated hiring challenges, but a system-wide view of how leadership, mid-level, and early-career shifts are interconnected.

Our findings point to a new reality: firms cannot assume that experience, mentorship, and leadership capacity will replenish themselves organically. Understanding where the ladder is breaking, and the risks these breaks introduce, is the first step toward addressing a workforce challenge that will define the next decade of financial services.

The Leadership Scarcity Problem

Executive demand is soaring while the pipeline collapses, leaving firms exposed at the very top.



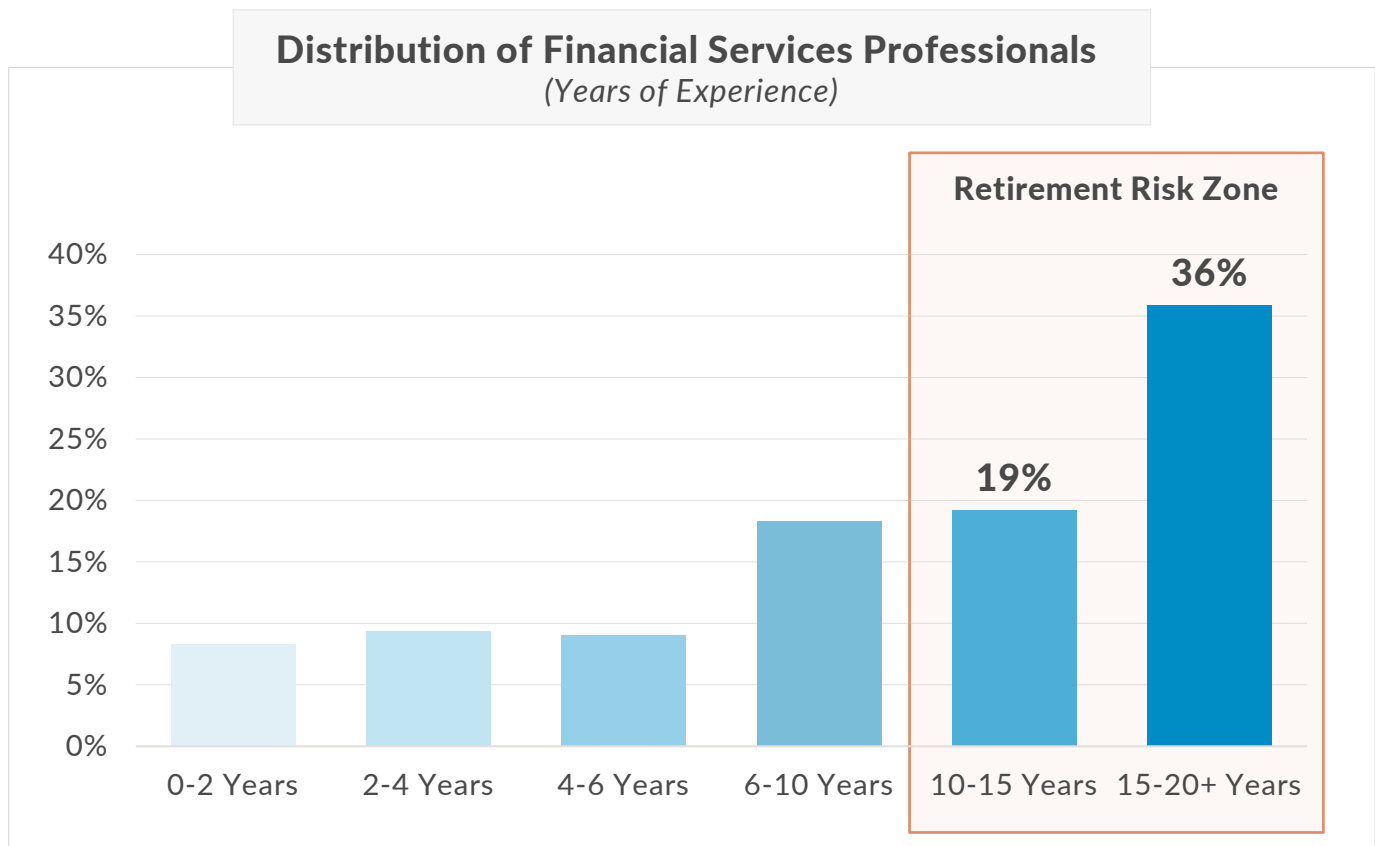
Job listings for roles such as COO, CFO, and CEO—those requiring more than ten years of experience—have risen nearly 30 percent year-to-date. This growth rate is seven times faster than that of the broader financial services workforce, which sits at just four percent. This surge signals an urgent need for leadership capacity and exposes a widening gap between senior-level demand and available supply.

Workforce Impact

Prolonged vacancies at the top create instability in decision-making and expose firms to greater vulnerability during periods of market volatility. The imbalance between demand and supply at the senior level signals a structural weakness that threatens continuity at the highest ranks.

Experienced Talent Is Leaving Faster Than It Can Be Replaced

A wave of retirements is draining institutional knowledge faster than it can be replaced.



The leadership pipeline problem deepens when viewed through the lens of retirement risk.

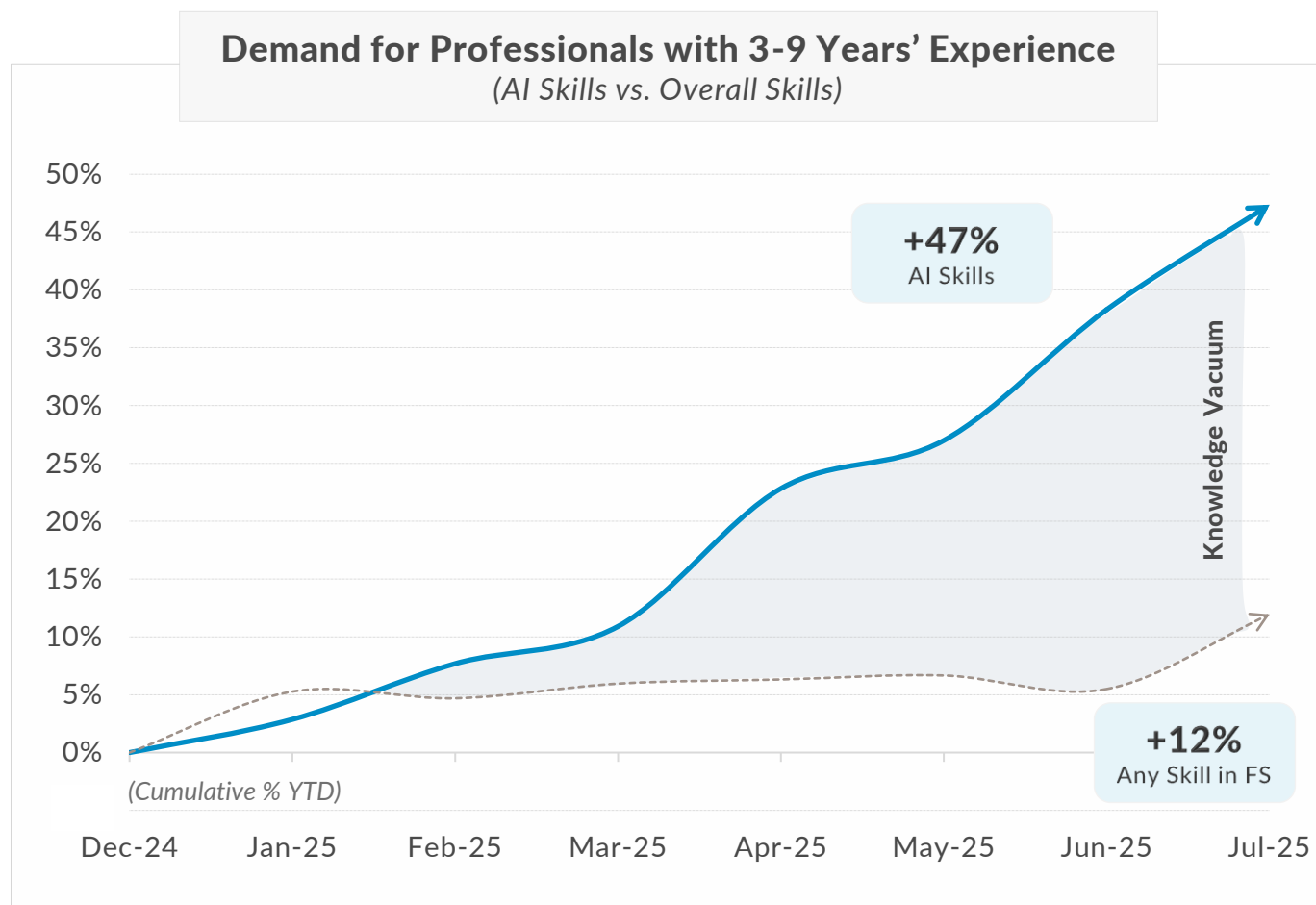
Nearly half of financial services professionals have more than ten years of experience, and 36 percent could exit the workforce within the next five years—creating a leadership gap that today’s available talent cannot fill.

Workforce Impact

The retirement wave represents more than headcount loss. It is accelerating the erosion of institutional knowledge and professional networks built over decades. As senior leaders exit, mentorship capacity diminishes and informal channels of expertise disappear. The result is a steeper learning curve for successors, a weakening of operational stability, and costly reliance on external expertise.

The AI Skills Gap Weakens Mid-Level Talent

Mid-level managers lack the skills needed to bridge leadership and automation, widening the capability gap.



Demand for professionals with three to nine years' experience has risen by 12 percent overall, but demand for AI skills within this group has skyrocketed 47 percent.

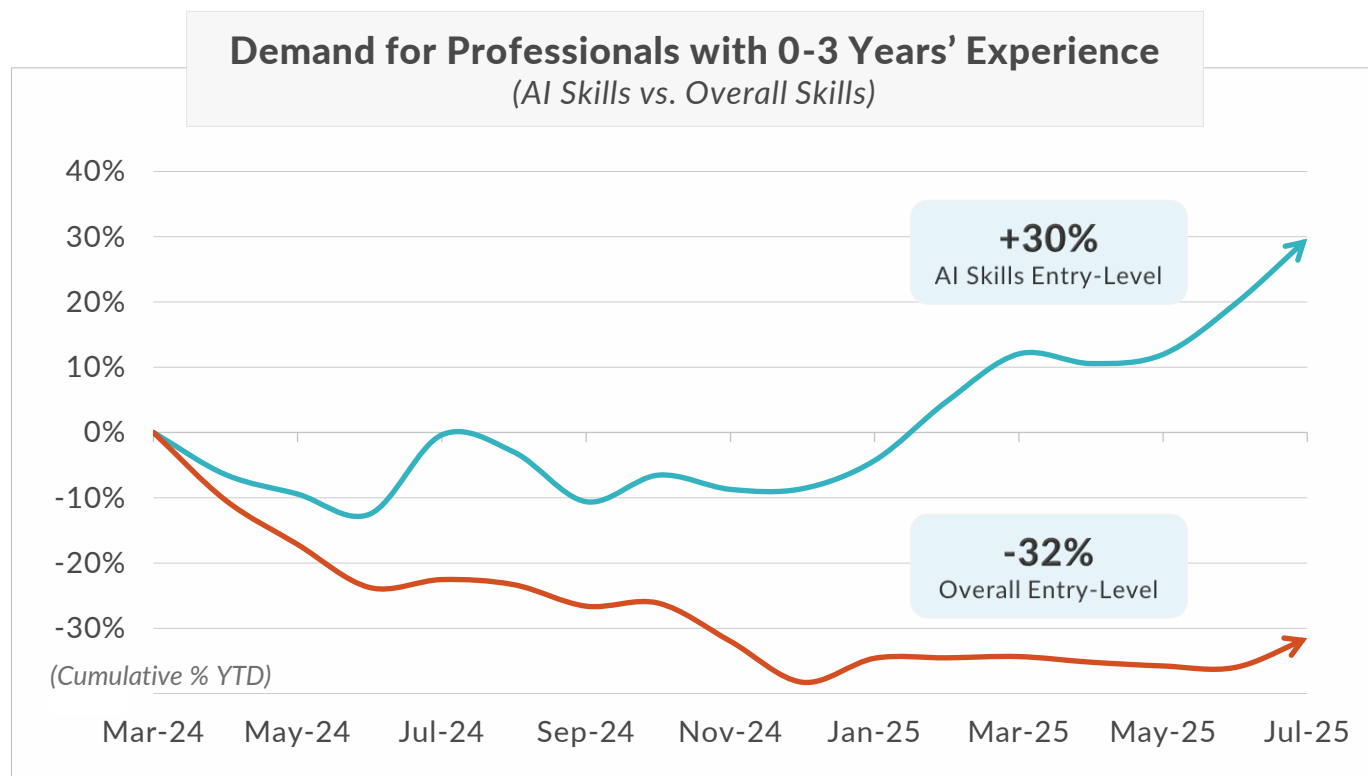
However, only about 11 percent of mid-level professionals possess AI skills, leaving a significant capability gap and creating a knowledge vacuum between senior leaders and entry-level staff.

Workforce Impact

Without skilled mid-level managers, firms struggle to translate leadership strategy into execution. Further, with executives retiring and entry-level roles disappearing, this middle tier has lost both its teachers and its students, creating a knowledge vacuum that weakens succession planning and limits the pool of future leaders ready to step up.

Automation Erodes Traditional Entry Points

Automation is erasing entry-level roles, cutting off the very foundation of tomorrow's leadership bench.



Overall demand for entry-level roles in financial services has dropped by 32%, yet entry-level roles requiring AI capabilities have grown by 30%. This reflects a shift from traditional support functions to technology-driven positions that demand advanced digital literacy from day one.

Only about 12% of entry-level candidates currently meet the AI-skill requirements of emerging roles. This mismatch leaves firms without the steady influx of junior talent needed to sustain operations and develop future leaders.

Workforce Impact

The collapse of traditional entry-level pathways is cutting off the industry's primary channel for developing new talent. Further, if early-career hires aren't reimagined for an AI-driven environment, the industry will face an even deeper skills deficit.

Without reimagined early-career programs, financial services will face steeper hiring costs, a shrinking supply of qualified talent, and diminished upward mobility over the next decade.

Opportunities for Action

The data in this report points to more than isolated challenges; it reveals an industry at a turning point. As leadership exits accelerate, mid-level skills lag behind, and entry-level pathways disappear, financial services firms have a chance to redesign how they develop, deploy, and advance talent. Below are four distinct opportunities that go beyond plugging gaps, aiming instead to reshape the workforce model for long-term advantage.

Reframe Leadership Continuity as Enterprise Risk

Leadership continuity should be treated with the same rigor as other enterprise risks. TA and HR leaders can model “leadership loss scenarios” across divisions, using retirement horizons, market competition, and internal readiness to forecast vulnerabilities. This data-driven approach turns leadership succession from a reactive process into a proactive, measurable capability aligned with overall business resilience.

Activate an Internal Talent Marketplace

The broken pipeline can be partially solved by tapping the underused capacity already inside the organization. By implementing an internal talent marketplace, firms can identify hidden skills, enable lateral moves, and redeploy talent from slow-growth areas to emerging needs. This approach accelerates career mobility, reduces external hiring costs, and strengthens employee loyalty while creating a more fluid bench of future leaders.

Elevate the Mid-Level as a Strategic Hub

Mid-level managers can become the linchpin of organizational transformation rather than its weakest link. Redesigning these roles to emphasize cross-functional leadership, mentorship, and AI fluency turns them into a talent “transmission belt” between senior executives and junior staff. This shift not only stabilizes operations but also cultivates a generation of managers ready to lead in a tech-driven environment.

Build New Gateways into Financial Services

With traditional entry-level jobs disappearing, firms can design multiple new “gateways” to attract diverse, AI-literate talent. This could include co-developed university programs, accredited apprenticeships, rotational fellowships focused on data literacy, and partnerships with digital training providers. By reimagining how talent enters the industry, firms can rebuild their leadership bench, expand diversity of thought, and future-proof their workforce.

About This Research

Data Sources

Distribution of Financial Services

Professionals by Years of Experience:

HireEZ platform data, September 2025,
<https://hireez.com>*

**Covering all financial services professionals represented on the HireEZ platform.*

All Other Analyses:

Lightcast data, August 2025,
<https://lightcast.io>

Researcher Profile



Tahlita van Rooyen

tahlita.vanrooyen@leveluphcs.com

Tahlita van Rooyen is a Market Intelligence Analyst at LevelUP HCS. With a background in workforce analytics, data visualization, and reporting she combines data analysis with market storytelling to help leaders understand the forces shaping their talent pipelines and take decisive action.

About LevelUP's Talent Intelligence Team

LevelUP's Talent Intelligence team delivers real-time, data-driven insights to help clients enhance their recruitment strategies and accelerate the acquisition of top talent. Leveraging analysis of over 850 million global talent profiles, more than 65,000 job posting sources, and data from 45+ international platforms, our team provides clients with a comprehensive understanding of the talent market.

Primary focus areas include:

- Compensation benchmarks and trends
- Talent supply and skill availability
- Competitor and market activity
- Macro and sector-specific insights
- Education and early-career analytics

By utilizing AI-powered tools, we identify overlooked candidates, forecast skill trends, and offer real-time competitive benchmarking—ensuring every recruitment effort is informed by the latest data.



Modernizing how companies attract, hire, and retain top talent.

CONTACT US

Connect with us to discuss these insights and what they mean for your talent strategy.

Ashley Smith
SVP, Marketing
ashley.smith@leveluphcs.com

ADDRESS

32 Old Slip
24th Floor
New York, NY 10005

[Explore Our Solutions](#)

