

## There's More to Frankfurt and Paris than Meets the Eye

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***Germany's financial capital, Frankfurt is the metropolis on the Main River. Frankfurters like to regard themselves as Main-hattan, a slice of Wall Street where upcoming financiers cut their teeth before moving to the killing fields of larger London and New York. Perhaps the stage is set for this talent flow to reverse, which merits a little more consideration.***

The UK's decision to trigger article 50 started the formal process of departing from the European Union has brought location strategy into focus among all financial services firms.

Given their depth of talent and pool of available workforce, it is not surprising that for many financial services firms, Paris, Frankfurt, and Zurich are three options under serious consideration. While they could have been the best options in the past, we believe these are the best options for the 2020 – 2030 workforce.

Some of the smarter players in the industry are looking to attract millennial talent early. However, the landscape is more complex than it first appears as firms begin to think outside of the three obvious choices detailed above.

When factors such as cost of talent and growth potential are included, locations such as Madrid, Berlin, and Dublin begin to look appealing. We have been working with a number of firms to help them make informed decisions about their location strategy. Our team has been working with clients to combine rewards, financial performance, and market data to access the right strategies for talent locations.

Firms should be thinking about locations not only in terms of depth of talent and the cost of that talent, but also market compensation and public financial data to ensure decisions are being made in content of peer groups. This is how firms stay competitive.

In a recent analysis, we looked across a number of factors that our clients find important in deciding where they should place their people. We looked at the depth of talent, cost of talent, cost of living, cost of doing business and growth potential. Because the importance of these factors varies across firms, we customize these ratings to provide the most appropriate recommendations. Because firms depend on the best talent, we have found that clients tend to weight the depth and cost of talent at the highest level.

## Location Scorecard

| Rating Factor        | Depth of Talent | Cost of Talent | Cost of Living | Growth Potential | Overall Rating | Position        |
|----------------------|-----------------|----------------|----------------|------------------|----------------|-----------------|
| Weighting            | 40%             | 35%            | 15%            | 10%              |                |                 |
| <b>Frankfurt, DE</b> | 92              | 58             | 86             | 100              | 80             | 1 <sup>st</sup> |
| <b>Zurich, CH</b>    | 100             | 37             | 49             | 73               | 67             | 2 <sup>nd</sup> |
| <b>Berlin, DE</b>    | 22              | 100            | 92             | 90               | 67             | 2 <sup>nd</sup> |
| <b>Dublin, IE</b>    | 31              | 87             | 67             | 66               | 59             | 3 <sup>rd</sup> |
| <b>Paris, FR</b>     | 23              | 67             | 69             | 57               | 49             | 4 <sup>th</sup> |
| <b>Madrid, ES</b>    | 10              | 70             | 100            | 48               | 48             | 5 <sup>th</sup> |

Driven by a strong depth of existing talent and growth potential, in our most recent analysis we found that the overall winner remains Frankfurt. However Madrid and Berlin outstrip both Frankfurt and Paris in terms of cost of talent and living. Dublin, with its well established funds business, has become the candidate to consider if clients are willing to move away from the herd. Even some Swiss based finance houses are considering Dublin as an option versus home grown.

To learn more about how our location strategy analysis solutions can help you, please contact our [location strategy lead consultant](#).

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