

RAISING PROFESSIONAL EXCELLENCE

Given the volatility of today's financial markets, what does it take for professionals in the banking and financial services industry to stay on top of their game? Practitioners who facilitate specialist programmes for the Financial Training Institute (FTI) share their thoughts.



FTI training programmes provide a neutral platform for providers and users of banking and financial services to interact and learn from one another.

In recent years, the banking and finance industry has been plagued by many black swan events such as the collapse of Lehman Brothers in 2008, that triggered a global financial crisis, to 'Brexit' in 2016 which threatened the stability of the European Union. Geopolitical upheavals like the wars in the Middle East, migrant crisis in Europe and potential fallouts from the US Presidential Elections have created greater uncertainties for the global economy and increased volatilities across financial markets worldwide.

Closer to home, there is the 1Malaysia Development Berhad (1MDB) scandal which saw the Monetary Authority of Singapore shutting down banks for the first time since 1984, and imposing substantial fines on major banks for anti-money laundering breaches. A number of bankers were also arrested for their involvement in money laundering activities, causing further blow to market confidence.

Apart from professional integrity, deep expertise is regarded as fundamental for banking professionals who seek to retain and serve their clients effectively, and counter threats of disruptions from emerging financial technology players.

Mr Kelvin Loo, an affiliated faculty of FTI, shares his insights from a corporate's perspective. "Bankers need to demonstrate their relevance to the client, by staying up to speed with the current state of affairs especially in the fast-moving financial markets," he says. Mr Loo, who was previously in treasury sales, intends to focus on addressing corporates' concerns over financial risk management with practical solutions to secure buy-in from decision-makers in the SMU Advanced Certificate: Corporate Banking Solutions and Corporate Treasury Risk Management programmes.

Mr John Driscoll, a veteran oil trader, adds that having a good sense of judgement would

help bankers grapple with volatility and clients' expectations. "In developing mechanisms to assess and manage risk, we must always appreciate that some risks are not predictable, quantifiable or manageable. Knowing this distinction goes to the heart of FTI's Hedging and Management of Energy Price Risk programme," he says.

The managing of risks has to go both ways for relationships to be sustainable and mutually beneficial. Dr Khoo Guan Seng, a risk management specialist, highlights the challenge: "Banks have to manage their operational and governance risks globally, so that they don't jeopardise the relationships, reputation and trust they have built up." Dr Khoo designed the Operational Risk Management: Design, Adoption and Implementation programme to focus on the practical issues that need to be addressed in order to support enterprise-wide risk management.

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MR BERNARD LIM

The importance of ‘heart-share’

Apart from knowledge, relationship-building skills are crucial. Understanding clients and delivering tailored solutions or services seem to be crucial in securing mindshare. Mr Driscoll agrees on the need for customisation: “Successful banks have often proven to be more proactive in understanding each customer’s unique portfolio of assets and risk appetite. This has enabled these banks to fashion and market more customised hedging solutions to customers.”

The same applies to those who provide financial advisory services to individuals. In the SMU Certificate: Personal Estate Planning programme, Mr Bernard Lim, a Certified Financial Planner (CFP®) who specialises in estate and legacy planning, highlights changing trends in three key areas: economy, society and technology. As a result of these changes, planning needs have become more global and more complicated, with faster and cheaper access to more products and services because of technological innovations.

Emphasising the importance of ‘heart-

share’, Mr Lim notes that studies have shown that consistent and sincere engagement is correlated to clients’ loyalty. “The adage ‘People do not care how much you know until they know how much you care’ still holds true,” he says. “Mindshare affects how often clients think about a particular financial advisor, but it is heart-share that will influence clients’ choice of financial advisor.”

What value do the practitioners intend to bring into their programmes to help raise professional excellence? Mr Lim emphasises that “FTI’s programmes are delivered in a practical way and are often rich in real-life case studies that are relevant to the attendee. Whether it is increasing competency in a specific area of practice or knowing how to develop strategies on engaging clients, FTI’s programmes provide both width and depth in professional development.” Dr Khoo plans to share “Newer and evolving approaches, including regulations, to manage risk and give participants opportunities to apply what they learn based on real and practical case studies and exercises.”



Participants gain broader perspectives from panel discussions with industry veterans.

SPECIALIST PROGRAMMES

FTI offers learning pathways to build competencies in job specialisations. Facilitated by practitioners with both banking and corporate sector experience, these programmes offer viewpoints from both buy- and sell-side perspectives. They also provide a neutral platform for providers and users of banking and financial services to interact and learn from one another.

SMU Advanced Certificate: Corporate Banking Solutions (IBF Level 2)

Attain deeper understanding of project financing, treasury and debt capital market solutions to meet the complex banking needs of corporate clients. Gain insights to corporate’s perspective for more effective marketing pitches and achieve greater share of wallet.

Corporate Treasury Risk Management

Apply hedging strategies to manage interest rate and foreign exchange exposures. Learn to optimise funding costs, manage foreign currencies liabilities and assets, hedging foreign currencies revenue, expenses, assets, liabilities and acquisitions.

Hedging and Management of Energy Price Risk

Learn to identify, manage and hedge energy price risks in real-life situations. Acquire hands-on experience by analysing cases involving oil producers, refiners and consumers, and via trade simulation exercises.

Operational Risk Management: Design, Adoption and Implementation

Look at the changes needed to adopt, implement and comply with regulatory requirement, and support enterprise-wide risk management. Engage in extensive case discussions on the design and implementation of a comprehensive ORM system.

SMU Certificate:

Personal Estate Planning (IBF Level 2)

Apply a multi-dimensional approach to estate planning by exploring the “hard” and “heart” issues of estate planning. Understand the financial, tax, social and legal considerations as well as how different structures may be applied to meet a client’s estate planning needs.