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HR challenges in backoffice operations

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Today I'd like to talk about

- Constant changes over the past decades in operations have lead to staff reductions and development of new skill profiles in operations.
- HR challenges what is the bigger problem? Recruting suitable staff members or recruting the appropriate managers?
- If it is true that operations is a commodity, but not an unique selling point how can we attract new staff?

Workflow development in operations



Internal optimization in various steps over decades has lead to staff reduction ...





Trade capture	Relationship Management
Middle Office	Middle Office
Enrich- ment	Complex Operations
Instruc-	Capture & Enrichment
tions Settle-	Instructions Mgmt.
ment	Settlement processing
Corp. Action	Corporate Actions
Static data	Reference Data
Network Mgmt	Network Management
Control	Operations Control
Recon- ciliation	Reconciliations
Cash Mgmt	Cash Management

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... but also developed new skill profiles - and is reaching it's end.

FX, MM, Der, Sec are abbreviations for the respective asset classes

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I am a next generation bank clerk – please find my job expectations below

- I like working in an open-minded team with cultural diversity.
- I like working from home or remotely on a frequent basis.
- I accept having a reporting line, but within my daily job I want to take my own decisions.
- I want challenging and interesting tasks.
- I have a clear career path in mind, that's why I like job rotation.
- My salary is important, but work life balance counts as well.

I am a next generation bank manager – please find my mindset and competencies below

- I am a leader, not a micro manager.
- I challenge and encourage my team to take on their own responsibilities.
- I am a promotor of a fail fast culture, I see mistakes as an opportunity for process improvement.
- I regulary ask for feedback from all angles and take it seriously.
- In my team the best idea wins and it must not be my own.
- I do not support hierarchical thinking and formalism in my team.
- I highly support diversity in my team.
- I am capable in managing my team remotely b.t.w. I like working from home as well.
- I am not necessarily the best paid member in my team.

When job expectations meet operations reality

- Operations is a highly regulated environment.
- Working hours are mainly driven by external deadlines limited flexibility only.
- Tasks must be achieved by the end of the business day delaying creates problems and often error costs.
- Customer satisfaction is hard to get internally as well as externally.
- Total compensation seems not always appropriate.

Operations is looking for new staff – see what we expect

- Familiar in dealing with various asset classes.
- Full understanding of the complete process flow and lifecycle events.
- IT-expertise and capable in programming modern workflow IT-systems.
- Expertise in controlling sourcing / shoring partners.
- Lean management knowledge and willingness to challenge your own work daily.
- Self-motivation capabilities.
- Open minded for change.

The author's conclusion

- If not already done urgent need to decide on your future Target Operation Modell for operations.
- > Your TOM is key to tackle the HR challenges that lie in front of us.
- > Firms without a future TOM will face massive problems over the next five to ten years.
- > Don't be afraid to disclose your TOM and act accordingly.

Disclaimer

- > This presentation represents the opinion of the author.
- The content shown is based on the author's experience and also includes the results of many years of networking with peers in various other banks.