

Beyond the classroom

The Financial Training Institute@SMU is helping to raise proficiency in Singapore's financial sector. BY FRANCIS KAN

AS Singapore works to maintain its position as one of the region's leading financial hubs, raising the competencies of the banking and finance sector's workforce has become a key priority.

Apart from financial institutions' internal training programmes, academic establishments such as the Singapore Management University (SMU) also play a role in developing the industry's talent.

To this end, the university set up the Financial Training Institute@SMU (FTI) to champion competency-based training for professionals in the financial services industry.

FTI offers IBF-accredited certification programmes in corporate banking, financial markets, wealth management and private equity under the IBF Standards framework, which is a development roadmap for financial sector practitioners to acquire the training needed to excel in their jobs.

"The adoption of the IBF Standards helps to provide a structured training roadmap for financial institutions and banking professionals to plug their competency gaps, raise the bar of excellence, build pipeline for talent and drive effective change for businesses," says Associate Professor Annie Koh, FTI's Academic Director.

Since its inception in 2007, the institute has trained more than 3,000 participants and certified about 900 professionals, from over 100 financial institutions.

For its efforts, FTI was honoured with the IBF Inspiring Educator Award which recognises IBF-accredited training providers' commitment in driving the adoption of the IBF Standards to raise the professional competency of the financial industry.

Designed in collaboration with academia, practitioners and industry partners, FTI's programmes aim to bridge the gap between know-

ledge and real-world applications, says Prof Koh.

She cites the example of a custom wealth management programme for a local bank where participants learned the holistic approach of providing solutions that meet the needs of the clients, rather than just product pushing.

"One branch manager shared what he learned from the programme with his team. They applied the techniques taught in their sales calls and the overall sales numbers improved. He has also broken the investment and regular premium record held by the branch twice since attending the programme," she says.

"With better questioning techniques, the team is better at analysing client needs before product recommendations, feels more knowledgeable, faces fewer objections and is now able to handle more savvy clients."

Meanwhile, participants of the SMU Executive Certificate in Commercial Banking commented that the training gave them a broader perspective of how banks function, and practical approaches to handle real-life situations. The programme features a comprehensive curriculum that includes product features, risk and cost of funding, credit evaluation and structuring of credit facilities.

"They are more aware of the cost of funding and risk exposure to the bank, and can now better structure appropriate collaterals to help clients and at the same time protect the bank," says Prof Koh.

Despite the benefits, several of the bigger financial institutions here with in-house training programmes have been reluctant to commit substantial resources to re-align their training roadmap to meet the standard's requirement, she notes.

"The standards are not easy to understand



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for the uninitiated. They also tend to be all-encompassing and the exacting training, assessment and certification requirements demanded can create implementation hurdles."

Passing certification programmes can also be difficult for some as financial institutions tend to segment their functions according to target markets or clients to ensure a proper segregation of duties.

For example, banks usually set up their dealing desks for treasury markets by product groups, whether it is foreign exchange, interest rate, credit or commodities. As such, traders tend to specialise and may not be familiar with market practices for products they aren't dealing with on a daily basis.

However, candidates for IBF certification programmes are required to perform and

demonstrate competencies in all aspects of their role. "This is not an issue with high performers but can be difficult to implement on a large scale for all staff," says Prof Koh.

Going forward, she believes that financial professionals here should be given the opportunity to develop and strengthen their competencies in integrative skills across functional areas, such as team building, leadership and communication.

Financial practitioners of the future will also need to know how to scan the environment for emerging mega trends, possible new threats and opportunities from financial technology that will change the way businesses are created and done.

"They need to acquire deep domain and sector knowledge and expertise," says Prof Koh.

Real world learning

FINANCIAL Training Institute@SMU offers IBF-accredited training in different segments. Here are a few of them.

SMU Executive Certificate in Commercial Banking (IBF Level 1)

This programme is specially designed for entry level hires and professionals with up to three years' experience in corporate banking.

<http://fti.smu.edu.sg/eccb-main>

ACI-SMU Financial Markets Certificate (IBF Level 1)

A foundation course that helps participants develop technical knowledge and understanding of the financial markets. Participants will learn the key concepts, calculation methodologies and practical applications of different financial instruments.

<http://fti.smu.edu.sg/fmc-main>

SMU Certificate: Sourcing Private Equity Deals and Fund Raising (IBF Level 2)

The three-day workshop aims to give participants a top-down approach to developing an investment strategy for private equity funds, starting with an overview of the private equity industry and its key players.

<http://fti.smu.edu.sg/PEM1-main>

SMU Certificate: Framework for Conducting PE Due Diligence (IBF Level 2)

This workshop highlights the challenges faced when evaluating investments in private companies. Participants will look at due diligence from a private equity perspective.

<http://fti.smu.edu.sg/PEM2-main>