

Jacqueline Loh: Talent development in the financial sector

Keynote address by Ms Jacqueline Loh, Deputy Managing Director of the Monetary Authority of Singapore, at the Financial Women's Association's International Women's Day Celebration, Singapore, 8 March 2016.

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Ladies and gentlemen,

1. Good afternoon. Thank you for the opportunity to celebrate International Women's Day with you.
2. As a part of the leadership team in MAS overseeing manpower issues for the financial sector, the topic of talent development and continuing professional development is something that is close to my heart. I am very heartened by the Financial Women's Association's cause to promote and advance the standard of professionalism, especially of women, in the financial services industry. Your passion in the work that you do is truly inspiring, and I believe many women in the industry greatly appreciate the opportunity which FWA provides – like what your President Catherine Low said- “a platform that successfully educates, edifies, and encourages, allowing members to not only “take” but also “give”, through FWA's mentorship programs and charity activities”.

Gender parity

3. McKinsey Global Institute's 2015 study on “The Power of Parity” estimated that advancing women's equality can add \$12 trillion USD to growth worldwide. Our region (East and Southeast Asia, excluding China) alone stands to gain \$900bn in incremental GDP. Within this region, Singapore is the fastest improving country – we are notably closing the gender gap in labour participation at a rate of 1.1 percentage points a year.
4. The Singapore Diversity Action Committee found that the SGX-listed companies saw 10.2% of board seats held by women in 2015, a notable increase from 7.6% in the previous year; with large companies leading the growth. However, if we compare to other centres like the UK and Hong Kong, the women's representation on boards is 26.1% and a slightly higher 11.5% respectively.
5. The FWA Gender Survey, results for which will be discussed in depth later, corroborates these findings. While we are heartened that the women participation numbers are healthy at the lower levels, we need to remain focused on encouraging the contribution of women at all levels, and especially at the more senior positions.
6. Singapore's greatest asset is its people, and developing talent must be a top priority. ***In MAS, we place great emphasis on talent development, progression and retention in the industry.*** You may know that we have recently formed the Financial Sector Tripartite Committee (FSTC), which I co-chair with Mr Patrick Tay, Assistant Secretary-General, National Trades Union Congress (NTUC). FSTC brings together the industry associations, government and labour movement, to foster a financial sector workforce that is versatile and well-equipped to seize the opportunities and adapt to the changing needs of the financial services industry. Our overall objective is to build a financial sector that not only reinforces Singapore's position as a major international financial centre, but most importantly, one that provides good jobs for Singaporeans.
7. Allow me to elaborate on our approach.
8. ***First, strengthening talent development for individuals to achieve their fullest potential.***

- MAS works in close partnership with the industry to provide training pathways and training opportunities for Singaporean finance professionals. The pursuit of continual learning related to financial sector competencies will help each and every one to attain mastery in their respective fields and achieve their fullest potential.
- MAS has a range of schemes to support the learning journey at all levels, from undergraduates and fresh graduates, to early/mid-career professionals, and to those in leadership positions. We have prepared a “SkillsFuture for the Financial Sector” infographic that you can find at your table which provides more information on these schemes.

9. For example, under the Finance Scholarship Programme (FSP), MAS supports early-mid career Singaporeans in developing specialist capabilities through post-graduate studies, in areas such as risk management, speciality insurance and quantitative finance. The recently launched Financial Sector SkillsFuture Study Award will also provide an additional channel of support to enable individuals to upgrade their skills through a wider range of specialist programmes.

10. **Second, beyond competency-based training, cross-functional and international exposure is a key ingredient in building up leaders.** We want to ensure that there are Singaporean professionals taking up leadership positions in the key financial institutions. So MAS works with many financial institutions to develop programmes for their Singaporean professionals, for example, by enabling them to take up cross-functional roles, such as via finance associate management programs, or to take international postings for better exposure¹. Last year, we launched the Asian Financial Leaders Programme, aimed at equipping senior financial sector professionals who are on the path to leading financial institutions in a variety of sectors including banking, insurance, asset management, private equity etc, with the knowledge and capabilities to operate effectively across diverse business, regulatory and legal environments.

11. **Third, retention of skilled and trained professionals in the industry.** MAS has been working closely with financial institutions to ensure fair and equitable treatment for all employees. For example:

- We work with financial institutions to ensure HR policies are non-discriminatory, regardless of gender, race, or age
- While we provide for specialist skills in areas of need, professionals will also need sufficient breadth of skills to be flexible and resilient in times of change. This means pre-emptively identifying the key jobs that are evolving, and developing structured training pathways. We must also identify new cross-functional competencies that are needed across different areas of finance, such as data analytics and digital banking. These initiatives will help to facilitate more seamless transitions within their organization. With these structured training pathways in place, professionals amongst us, particularly females who may need to take time out from work, can reskill and re-enter the workforce more seamlessly.
- We also want to partner with financial institutions to create a working environment that is conducive to accommodate changes, be it in life-cycles or lifestyles, so that employees can manage demands better, both at work and from home. It is heartening to note that many financial institutions are offering flexible work arrangements, including flexible working hours, telecommuting and teleconferencing, as well as mentors, who can lend a helping hand, providing that needed uplift and moral support.

¹ These are done under the Finance Associate Management Scheme (FAMS) and the International Postings Programme (iPOST).

12. Our collaborative efforts in developing talent in the financial sector will allow individuals opportunities to continually develop themselves and chart their own career progression, from students to mid-career professionals to leaders within the sector.

Working hand-in-hand with FWA

13. Our efforts will be more effective and achieve greater success with the help of industry professionals like yourselves. Given the strong network FWA has established, you are well placed to play an important role in ensuring equal opportunity for all. I would like to touch on three areas in which I see tremendous potential to harness the collective experience and wisdom of the FWA.

14. My views are also shaped by personal experiences building my career in MAS, the challenges and trade-offs that I have had to strike in balancing family and career, reflecting on what would have been helpful for me then, and considering what can make a meaningful difference for the professionals in our sector today.

15. Firstly, in encouraging a broadening of horizons via overseas postings. Over the years, business leaders have consistently given feedback that our promising finance sector professionals lack regional and international experience and that Singaporeans, in particular, display greater resistance in taking on such assignments. In an international financial centre like Singapore, the exposure gleaned in this part of the learning journey is extremely useful and important for progression to the higher rungs of the corporate ladder. This is because overseas exposure provides the breadth of perspectives expected of global and regional management roles. This dilemma unfortunately affects women to a greater extent, as many have chosen to or may have felt the need to turn down these opportunities due to family commitments, spouses' careers, or children's education needs. How can we encourage more to embrace these opportunities, and better balance competing priorities?

16. It is never an easy decision – and that is where a support network such as FWA is valued. I do not know the percentages, but I would hazard a guess that many of you have had overseas stints, be in in the region or beyond. And for those who have, I am sure that it has been a rewarding and enriching experience. I myself had the wonderful opportunity to work in MAS' NYO for about 4 years, and today, I strongly urge my young colleagues to consider a posting overseas.

17. In your own capacities, you can contribute significantly to mentoring and advising professionals in the financial sector, sharing with them your own personal experiences of how you have overcome challenges, and flourished from such opportunities. Overseas postings need not be a daunting and alienating choice. It can be an enriching opportunity, not just for the professional, but his/ her loved ones and family.

18. Another area where I see tremendous opportunity for FWA is in helping women in the financial sector better balance between career and family. It is not uncommon for women to take time off after having a baby, especially in the early childhood years. Increasingly, we have to also take longer periods of time off for caring of aged parents. Re-assimilation into the workforce will be an increasing challenge, given the fast evolving pace of the industry and the winds of change brought on by technology.

19. MAS, together with NTUC, ABS, IBF, the Singapore Workforce Development Agency (WDA), will launch a Financial Industry Career Advisory Centre (FiCAC) in April that will provide guidance to those keen to join the financial industry as well as those looking to move to new jobs within the industry. FiCAC will also organise talks on job opportunities in the financial sector. These will help affected professionals, including women and working mothers, to find jobs suitable for their skills. We believe that industry professionals such as yourselves will be able to make significant contributions towards this initiative, and we urge you to participate in any way that you can.

20. As leaders in your respective companies, we hope that you will be welcoming to those looking to rejoin the industry, and acknowledge the experience that these professionals bring to the table.

21. Thirdly, given the challenging environment in financial services, it is more important than ever for employees to take charge of their own learning, careers, and development. Each of you can do much to encourage and institute training initiatives in your company, and to allow more time for employees to pursue further education in their specialisations. We look to FWA to continue being that strong influence in encouraging professionals to pursue continual rejuvenation, both in terms of skills and mindsets.

Celebrating successes

22. I am glad to say that many financial institutions are with us in the journey of developing talent in the sector. In fact, a number of them are institutional members of FWA, who not only are close partners with us in building a strong manpower pipeline, but are also especially supportive of nurturing female talents.

23. For instance, Barclays, our host today, is the first bank in the world to join the United Nations initiative, HeForShe, which promotes gender parity in corporations. Their many initiatives include “Women of the Year” programmes to recognise female employees for outstanding success, as well as their Women’s Initiative Network (WIN) which provides a supportive platform for sharing and engagement among Barclays employees worldwide.

24. Amongst us, there are many women leaders who have blazed the trail in the industry. The moderator for today’s panel discussion, Deborah Ho, has had an illustrious career with financial institutions in Asia and New York and is an IBF Fellow. Deborah serves on the committees of Barclays’ Global Investment Bank Diversity Council and Women’s Initiative Network. She is also Barclays’ representative on BoardAgender.

25. The list goes on and thank you each and every one of you, for inspiring in your own way and for being a role model.

Closing remarks

26. It is critical for us to diversify our workforce, especially since it has been shown over and over again that the best performing organisations are those who tap on all of their employees’ talents, both men and women alike. In fact, according to another McKinsey report, gender-diverse companies are 15% more likely to outperform their non-diverse counterparts.²

27. We must do more in our own capacity to promote and encourage talent development in the financial sector, being an inspiration in our own way. Not simply for the benefit of employers, but to allow every individual an equal opportunity to pursue their goals and dreams, and strive for their best. For the modern woman, and indeed all of us present here, there is no reason why we cannot have it all.

28. I look forward to listening to everyone’s views during the panel discussion later. Thank you.

² McKinsey Research, “Diversity Matters”. Released in February 2015.