

Media title: Low in number
Author: Khanh Chi & Ngoc Lan
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Vietnamese have reached the top at some foreign-owned banks but overall there remains a shortage of skilled staff in the banking and finance sector.



LOW IN NUMBER

■ KHANH CHI & NGOC LAN report

In late March, Hong Leong Bank Vietnam, one of the largest and longest-standing foreign-owned banks in the country, announced the appointment of a new Vietnamese General Director, Mr. Duong Duc Hung. Mr. Hung becomes the second Vietnamese leader holding the highest position in a foreign bank in Vietnam, after Mr. Pham Hong Hai. Since HSBC Vietnam appointed Mr. Hai as its first-ever Vietnamese CEO and the first by a foreign-owned bank in Vietnam in 2014, it can be clearly seen that Vietnamese personnel are increasingly occupying the most important positions in the country's foreign-owned financial organizations.

SIGNIFICANT DEMAND

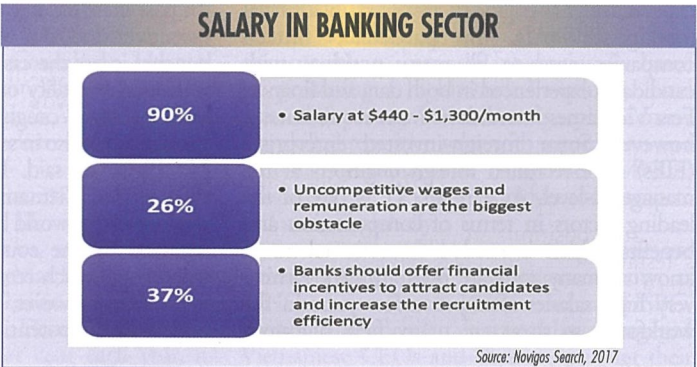
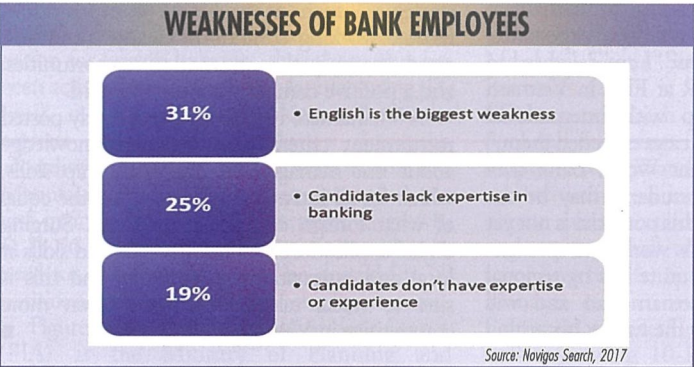
Large foreign banks in Vietnam have correspondingly large human resources (HR)

and most managerial and senior positions, notably, are Vietnamese. For example, HSBC Vietnam has nearly 1,300 employees and just 2 per cent or so are expats. "Our executive committee is composed of 15 senior officials, with the majority being Vietnamese," said Mr. Hai. "Vietnam's banking industry has developed strongly in recent years and we've also seen many Vietnamese taking up senior positions at local and international banks."

Similarly, Standard Chartered Bank Vietnam currently has some 1,400 employees and the majority are Vietnamese. "This number is growing as we are continuing to expand our business in various segments," said Ms. Tran Minh Huong, Head of Human Resources at Standard Chartered Bank (Vietnam). "We have been focusing on developing the local talent pool over the years and Vietnamese personnel now account for the majority on our executive committee and leadership team."

Nonetheless, as the banking and finance sector has been growing rapidly the supply of HR hasn't stayed abreast of demand. According to the latest business trends survey in the fourth quarter of 2017, conducted by the Monetary Forecast and Statistics Department at the State Bank of Vietnam, 52.1 per cent of credit organizations in the country said they had already recruited additional personnel in this quarter. However, 25.3 per cent still commented that the lack of a suitable workforce hasn't improved despite the high demand.

In the evolving economic and business environment, the demand for senior HR in financial consultancy and auditing in Vietnam has grown exponentially over recent years, according to Ms. Pham Thi Hong Anh, Talent Lead and Deputy General Director in Charge of HR at Ernst & Young Vietnam. "With globalization and



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the higher demand for talent, especially in the region, we understand we are facing a global competition for talent,” she told VET. “There really is a ‘war’ for talent, especially in this sector, as they have more choices to work across borders.”

TALENT STRATEGIES

Given the competition for talent, foreign-owned banks and financial organizations must think seriously about their retention strategies, especially for high-level personnel. There is no standard model, however, for businesses to attract and retain senior staff, and most banks therefore have policies to nurture their available talent and improve existing staff. “Reinforcing our leadership capability and succession planning are key priorities and we aim to develop leaders so they are positioned to move into roles in the future,” Ms. Huong said.

Ranked among the Top 5 Best Places to Work in Vietnam’s Banking Industry and the Top 100 Best Places to Work in Vietnam in 2017, as jointly assessed by career networking platform Anphabe and research firm Intage Vietnam, Standard Chartered has continually attracted new talent by embracing improved, flexible ways of working, improving its culture, and creating an attractive place to work. Ms. Huong said the bank’s focus is on driving cultural change and creating a differentiated talent experience for its people that leverages the unique diversity of its workforce. The bank has also rolled out new leadership training programs, increased its focus on building high performing teams, and provided more technical training in banking skills.

HSBC has similarly emphasized its BUILD strategy, where internal talent are the key and nurtured into future leaders. The development of senior level executives includes programmed e-learning and instructor-led approaches. Leadership forums are also organized to provide strategic commercial insights drawn from industry leaders in the country. “With HSBC’s unique strength in international networks, overseas attachment is a key learning solution utilized to develop high-performing leaders,” Mr. Hai said.

To retain its leadership talent, he added, the bank has embarked on a pragmatic engagement approach of increased performance feedback and discussion. This is further supported by periodic reviews of rewards and benefits, role progression, and development plans. HSBC Vietnam’s employees have landed several key leadership positions around the globe. “This is testament to the fact that local bankers have the skills and capabilities to compete in the global financial talent space,” he said.

Meanwhile, in order to retain talent in general, PwC has invested heavily in training,

not only in technical knowledge and professional qualifications but also in soft skills. “We also focus on mobility opportunities for our staff, enabling them to gain international experience in other member firms of the global PwC network,” said Ms. Pham Bach Duong, Human Capital Director at PwC Vietnam. “This serves our mission of creating future leaders from our very own high-potential employees.”

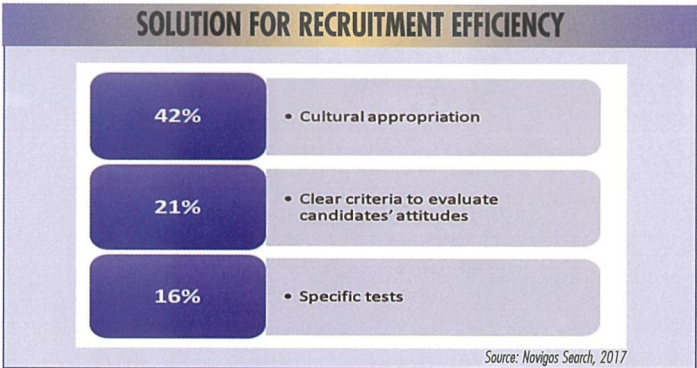
PwC also believes that learning and development are strong pillars in its HR strategies. Ms. Duong emphasized that the comprehensive career progression framework at PwC allows staff at all job levels to forge a clear career path for themselves at the company and gain access to the right opportunities for development. Career progression is indeed a concern for most bank employees. The latest report from the Navigos Group revealed that 52 per cent of candidates said their promotion opportunities are limited due to few changes in managerial positions and banks often recruit new people to fill managerial vacancies.

QUALIFICATIONS NEEDED

Investing in HR is considered a key strategy for all businesses in the banking and finance sector but recruiting and retaining talent remain problematic, especially in senior positions. A recent Navigos report on the banking sector found three major challenges facing surveyed banks, with 26 per cent of respondents naming uncompetitive salary and remuneration packages, 21 per cent high staff turnover, and 21 per cent a lack of high quality candidates.

Mr. Hai from HSBC pointed out that there is still a gap between what universities produce and what businesses need, and banks must often spend a lot of time and money on training recent graduates to ensure they have sufficient knowledge. “Banking in Vietnam is still considered a young industry compared to the region and especially globally,” he said. “There are roles that require a certain level of experience both in terms of breadth and depth.”

These challenges lead banks to spend more time on recruitment activities. “It usually takes a long time, since there is such a tough fight for talent right now,” said Ms. Duong from PwC. “For lower-level positions it may take a couple of months, while it can be up to a year for higher-level positions.” Mr. Hai agreed that investing in a market like Vietnam requires a long-term vision and a strong desire to develop



ANNUAL SALARIES, BANKING & FINANCE, 2017 & 2018

POSITION	PERMANENT SALARY PER ANNUM (S)	
	2017	2018
Accounting		
Accounting Director	36 - 60K	36 - 60K
Accounting Manager	24 - 36K	24 - 36K
Tax Manager	30 - 50K	30 - 50K
Cost Controller / Manager	20 - 33K	20 - 35K
Finance		
Chief Financial Officer	80 - 130K+	84 - 144K+
Finance Director - MNC	60 - 100K+	66 - 102K+
Finance Director - SME	60 - 80K	60 - 70K+
Finance Controller - MNC	50 - 65K	50 - 65K
Finance Controller - SME	40 - 50K	40 - 54K
Finance Manager	32 - 52K	32 - 52K
Treasury Manager / Director	36 - 60K	36 - 60K

Source: Robert Walters, 2018

together with the country. Finally, bringing expat staff to Vietnam is also a challenge for banks and auditing companies. “We have to comply with complicated processes related to work permits and temporary residence cards,” said Ms. Duong. “It takes a couple of months or even longer to get such paperwork done, so compliance with foreign employment regulations is also an issue.”

According to Mr. Hai, developing capabilities in most developing countries is rightfully focused on strengthening and improving basic education and Vietnam should take note. “What the country could revisit is how to raise the quality of education across all levels,” he believes. “A major consideration for the government is updating curriculum to include factors relating to globalized and digitalized development.”

To ensure that banking professionals adhere to the highest standards of financial industry business decorum and conduct, he proposed that regulations and governance on proper business and doing the right thing for customers should be developed. Ultimately, the quality of the workforce cannot be improved by one organizations alone, he said, so the entire sector must work together to ensure there are competent and trustworthy professionals in the banking business.