

# REGAINING CONSUMER CONFIDENCE IN THE BANKING SECTOR

By Angela Knight, chief executive of the British Bankers' Association



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## BIOGRAPHY

Angela Knight is chief executive of the British Bankers' Association. Previously she headed up APCIMS – the body representing independent stockbrokers and investment managers. Before her City career Angela was Member of Parliament for Erewash and served as Economic Secretary to the Treasury. She lives near Ascot.

## ABOUT BBA

The BBA is the leading association for the UK banking and financial services sector, speaking for 223 banking members from 60 countries on the full range of UK or international banking issues and engaging with 37 associated professional firms. Collectively providing the full range of services, our member banks make up the world's largest international banking centre, operating some 150 million accounts and contributing £50 billion annually to the UK economy.

Having the right people with the right skills has never been more important for the UK's financial sector.

The current turmoil in worldwide economic markets, and how this has fed through to the UK's banking sector, has underlined the vital importance of ensuring staff – particularly those who deal face to face with customers – are up to the mark.

Customers have, quite rightly, been concerned by recent coverage of the industry.

Some may have had poor experiences – although this needs to be seen in context.

UK banks operate over 150 million accounts. Every ten minutes they process 23,000 cheques, make 105,000 automated payments, put through 132,000 debit card transactions. In the same time 46,000 people use cash machines; 40,000 customers go online and



Images courtesy of Brian and Sue Capon

## “Dealing with customers, in whatever capacity, is the cornerstone of our business and it is vital to get it right.”

There are many routes into careers in financial services – almost as many I’d say as the career paths you can take when you get there. And ensuring staff are properly equipped to get it right has a direct bearing on the efficiency of the business. What the industry needs are people with the right skills, at the right level, in the right posts.

But let’s not kid ourselves that banks and other financial services companies are going to invest in skills and training for purely altruistic reasons alone. At the British Bankers’ Association I can see that having high calibre staff, and being able to offer quality services, is one of the ways the industry can help restore its battered reputation. But member banks also recognise that having competent and capable people can give them a serious commercial advantage.

And it’s not just about attracting and holding on to customers and maintaining market share either – important though that is. It’s about the costs involved in recruiting and retaining the workforce itself.

People often say that staff are their greatest resource but sometimes you wonder if they are just paying lip service to the concept. However, in banking, we know it is true.

Dealing with customers, in whatever capacity, is the cornerstone of our business and it is vital to get it right. Customers want to know that when they visit a branch or phone someone at a call centre, that person not only knows how to handle their query but has been properly trained in the protocol of dealing confidentially and carefully with their personal details. There is an obvious role in these front line services for both in-house training as well as the need, on occasion, to buy in bespoke help.

And not everything banks do involves direct customer care.

Clearly, when you are dealing with many specialist services – from jobs with customer contact to providing investment advice; from IT to complex legal work; from business lending to helping people purchase homes – it may not always be possible for training to be carried out in-house. Banks, like any other large business, may need to buy in the relevant training for their staff. And, in some areas, banks may wish to outsource some of the activities themselves.

And all of this has to add value to the business and, from my point of view as an ambassador for the sector, to improve the reputation of the whole of the UK’s financial services sector. And this is simply looking at banks’ reputation without considering the increasingly complex legal and regulatory framework in which we operate. One of the consequences of the credit crunch has been that government and regulators have looked for ways to prevent the UK facing a similar financial crisis again. So it is vital that banks ensure staff are up to date with the rules governing the functions they carry out.

We need farsighted people looking to the future needs of this most vibrant and diverse sector to ensure that bank staff are all properly skilled for the jobs they do. I believe this is not just in the best interest of customers but, ultimately, in the best interest of the banks and the wider UK economy.



The voice of banking & financial services

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37,000 call up to pay bills by phone. Set against around 127,500 annual complaints to the Financial Ombudsman it represents a very small error rate.

But that doesn’t mean we should be complacent – even that tiny percentage is too much.

And that, I believe, is where having the right people with the right skills mix and training comes in. The industry needs to put in the work required to regain the public’s trust.

There was much snide laughter when it came out that some very senior bankers did not hold banking qualifications. But this is, in my view, a red herring. Banking is a multi-faceted and complex business. It would not be right to say that everyone needs an identical set of qualifications, or that failure to have your banking exams should disbar people from working in banks.