A photograph of three men in business attire sitting at a table, looking towards the right. A large teal triangle is overlaid on the top left corner of the image.

Pivot Point

Making a Difference

A New Gameplan for the Corporate Learning
Pathway to 2030

FitchLearning



Fitch Learning partners with clients to deepen knowledge, develop skills and enhance conduct, delivering positive business outcomes.

With centers in established financial hubs including London, New York, Singapore, Dubai and Hong Kong, we are committed to understanding complex client needs across fast paced Financial Markets, globally. Our learning solutions encompass expert faculty, e-learning, coaching and blended candidate assessments, improving individual contribution and collective business performance.

As part of our commitment to serving financial services and furthering achievement, Fitch Learning aims to deliver intelligence and knowledge back to the industry.

We undertook Pivot Point so that we can better help businesses align themselves for future success. What follows offers a unique insight into the concerns and aspirations of Heads of Human Resources and Learning & Development across four continents.

Fitch Group is a global leader in financial information services with operations in more than 30 countries. Fitch Group is comprised of: Fitch Ratings, a leading provider of credit ratings, commentary and research; Fitch Solutions, a leading provider of credit and macro intelligence solutions helping client excel at managing their counterparty risk, with deep insights into the debt and fixed income markets, and comprehensive intelligence about the macroeconomic environment; and Fitch Learning. With dual headquarters in London and New York, Fitch Group is majority owned by Hearst.

Contents

- 04 Raising the Impact: A New Gameplan for the Corporate Learning Pathway to 2030
- 12 In Conclusion: Making the Most of Change
- 14 Research Methodology
- 16 Acknowledgments

Raising the Impact: A New Gameplan for the Corporate Learning Pathway to 2030

The shift in C-suite attitudes, alongside the recent reviews of requirements for future top-tier talent, has inevitably led to a revision of thinking around the application of effective learning techniques and a roadmap of development for market-leading L&D.

In this context, all of those interviewed expressed excitement about the potential opportunities to develop their elite workforce in a more impactful way than ever before. The experience of learning, they stated, was at a pivotal moment of change.

However, they hesitated to claim that their current professional development solutions were in peak condition. In this context, as one head of L&D for an institution with over 75,000 employees remarked: "I feel terrible about the learning solutions we expose our staff to currently. It is like stepping back in time". Reflecting this type of comment, all heads of L&D acknowledged that the experience of learning must adjust and keep pace with technology. "We have to make the most of both digital and analog in a much more integrated manner," said David Sicari, Standard Chartered Bank's Head of Learning for the Private Bank, Wealth Management, and Global Support Functions. Further, he noted that hybrid learning will transition to a much higher emphasis on interactive scenario-based experiences leveraging technology inside 24 to 48 months.

While each business interviewed was at a different stage of development in terms of their L&D strategy, the direction of travel for all appears to be similar. In the short term there is going to be an overhaul of content across all the learning programs, to make the materials available both more manageable and more valuable. Alongside this, immediate attention will be paid to the effectiveness of all channels of delivery (digital, classroom, offsites, etc.) with emphasis on a much better integration of technology.

Beyond this, L&D leadership teams were also now proactively exploring a wider range of strategic initiatives, all intended to maximize the investment in training for talent. These include looking at innovations in gamification, virtual reality, and analytics. In this context, the graphic below sets out 15 areas of activity based on the interviews.

At the core of all future developments is a shift in the responsibility for learning from a 'push' culture to a 'pull' culture. Two-thirds of interviewees for this research noted that employees will be expected to assume greater responsibility for and control of their learning pathways. "From an instruction perspective, we are evolving into being their curators and their coaches, but employees own the opportunity and it is their initiative that gets rewarded," said Glen McGowan, HSBC's Global Head of GBM Emerging and Future Talent, noting that his business now had an online course range of 400 solutions to choose from.

This shift in approach to accountability is going to lead to changes in learning pathways, course provision and anticipated development outcomes. The workforce expectation for an improved digital learning experience – driven by the younger employees – is stretching beyond better e-learning. The students want to ensure that their learning online is then married to their classroom experience, their network development and their exposure to scenario-based instruction.

“ From an instruction perspective, we are evolving into being their curators and their coaches. ”

The Six-Year Roadmap of Talent Solution Development



Raising the Impact: A New Gameplan for the Corporate Learning Pathway to 2030

Overall, the majority of those interviewed indicated that the balance of focus, in terms of development and delivery of learning, is going to shift dramatically. Most assessed that, while as much as 80% of their learning programs are currently based on formal and classical instruction in the classroom, that percentage is likely to drop to 20% inside five years, when as much as 60-70% will be based on experiential learning solutions including simulations, cohort-based learning, case study assessments, role play, and gamification. The remaining 30-40% of the solutions will, they stated, be based on structured exposure to learning in the workplace, such as on high-level placements.

Crucially, all noted that the learning process is being shortened and developed to have a quicker impact. "We cannot reasonably assume that taking people out of their role for a fortnight or that a graduate program of 12 weeks is workable," said Anke Kirn, Deutsche Bank's Head of Human Resources, Germany. "The way forward is high-energy Immersive Education tied to a structured learning pathway co-designed with each employee," she remarked, adding that the development of more comprehensive, modular-based curriculums of learning, tailored to individuals and their career paths, is becoming a more realistic goal.

Beyond adjustments to the range of course content and the responsibility of employees, the heads of both HR and L&D consistently noted that the most valuable types of learning for the business of developing future leaders were about advancing their communication capabilities, linked to decision-making, and also their skills at developing a 'followship' from among their colleagues.

While these attributes may sometimes be described as 'soft skills', they were increasingly seen by the heads of L&D as the key attribute that marks out a leader from a manager in the financial services environment. These two factors, they noted, were at the heart of distinguishing between good future talent and great future leaders. "We are no longer in a commander and servant structure. We need individuals that know how to frame the vision, direct others to be part of a mission, and lead with sound principles. While these basic issues are initially instilled at school, in business we also need engaging training solutions to reinforce them at work," stressed the Head of Professional Development responsible for the Capital Markets division of a top-five financial institution. The masters of these skills are tomorrow's leaders and the new generation of business quarterbacks.

“ The way forward is high-energy Immersive Education tied to a structured learning pathway co-designed with each employee. ”

Raising the Impact: A New Gameplan for the Corporate Learning Pathway to 2030

Aligned with changes in course delivery and experience, many of those interviewed indicated that, in the future, structured mentorship will play a bigger part in the L&D process. Mentoring was also seen as a positive addition, reinforcing the 'soft skills' through a more regular exposure to what good looks like in the workplace.

Indeed, several remarked that the application of mentoring has risen in popularity. This, they noted, had been driven in part by younger employees actively seeking out guidance from more experienced colleagues. This was an encouraging sign of greater workforce proactivity in personal development.

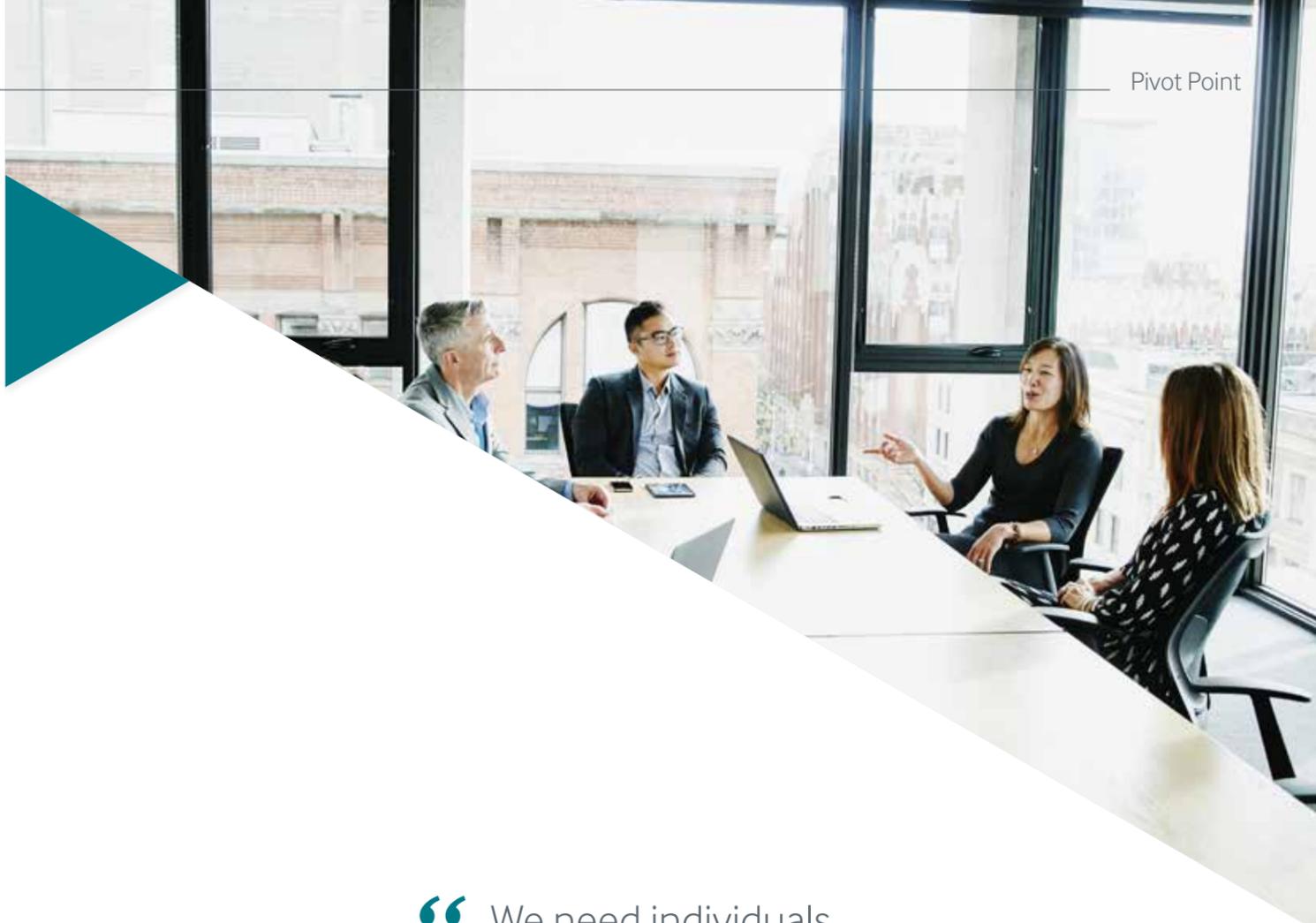
The experts interviewed commented, wryly, that in the early days of its popularity in business, around 2012-2016, mentoring was viewed as a potential replacement for the need to have more L&D training. As Deutsche Bank's Mona Vosoughi put it: "Mentoring was initially seen as 'learning on the cheap' since we did not have to really pay for it. Our business did not join the dots of how important mentoring could be for long-term professional development".

However, successes driven by this type of peer-to-peer development have meant L&D leaders are now adjusting their position on mentoring. They are viewing it as an integral part of a wider strategy of professional development. A few of the firms with advanced mentoring programs have even also introduced specific training processes for the mentors themselves, to

ensure they are prepared and effective. "We realize now that just because you are in a senior position does not make you a good mentor and also we recognize it is important that any mentoring reinforces the specific leadership attributes we want to develop in our future leaders," commented a Singapore-based regional head of Talent Management for 7,000 bankers and support staff.

In summary, adjustments to the learning solutions for future talent are evidently a work in progress for all of the financial services industry. The leaders of talent management worldwide recognize that the content range needs to be refined and become more accessible. Technology can support this, both for ensuring a better transfer of conventional knowledge into employees and in the context of teaching more complex professional development issues in an engaged, experiential way. As Standard Chartered Bank's David Sicari stated: "We are going to need to become more Hollywood".

Aside from the upgrading of content and experience, there is also a shift underway in the attitude toward learning and its value to career progression. Employees, particularly the younger generation, are taking ownership, and placing more expectation on the business to prove the benefit of the development experience they are offered and better target them for specific learning initiatives that will advance their career objectives. Ultimately, L&D's upgrade means it is coming of age in financial services.



“ We need individuals that know how to frame the vision, direct others to be part of a mission, and lead with sound principles. ”

In Conclusion: Making the Most of Change

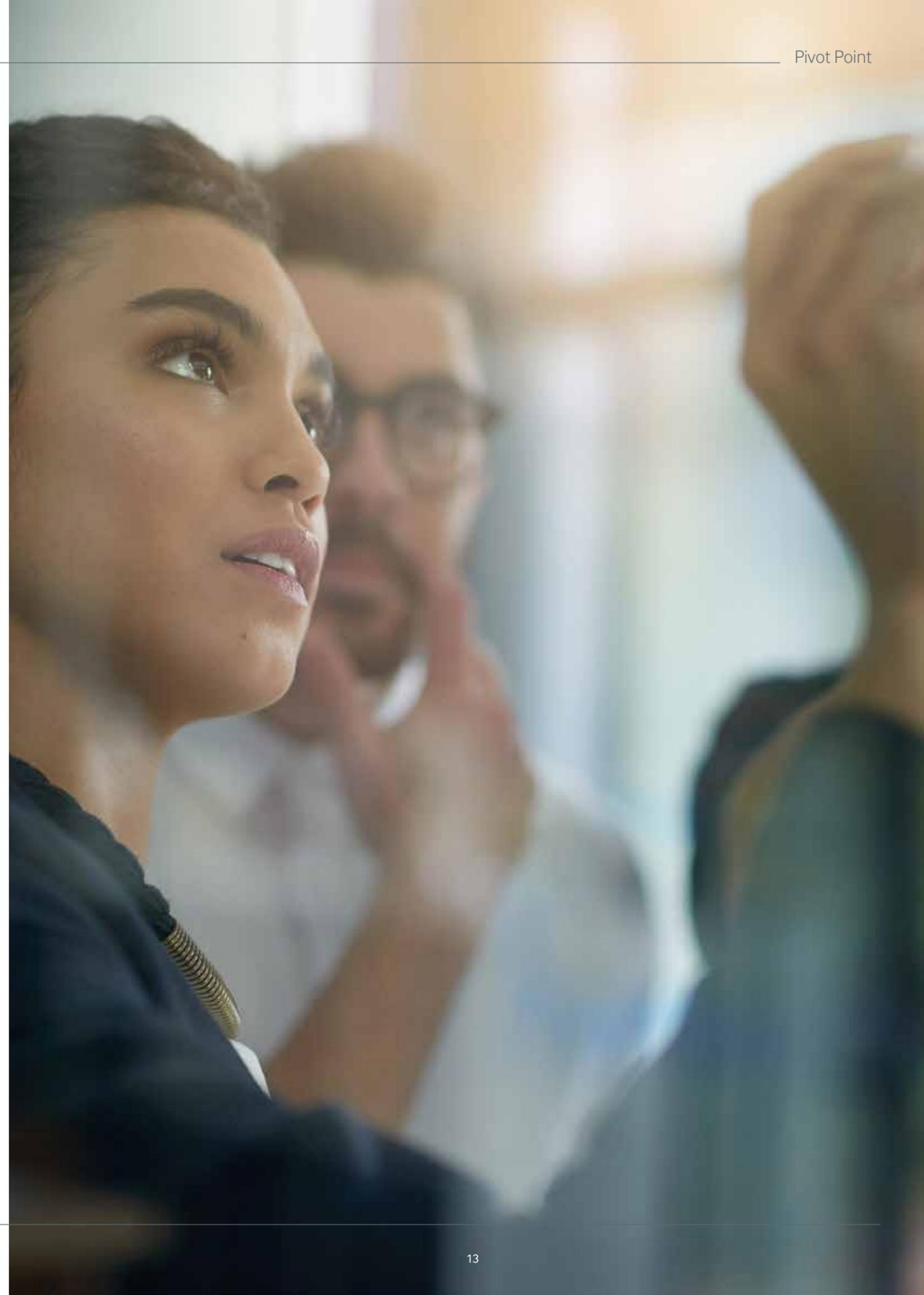
The financial services industry is at a pivot point with respect to talent management. The demand for a change in the profile and quality of leadership is clear.

The forces of change in the industry from regulation, consumers, technology, competition, demographics, and economics are as extreme as they have ever been. Notably, industry leaders of today are acutely aware of the need to prepare for the future with upgraded and new leadership talent. Awareness needs to shift into action.

The challenge for the industry is to adopt a measured and strategic approach to people development. The approach needs to embrace new thinking, new approaches, and also new technological and learning innovations. The ambition should be to aim to develop the best talent there can be, within a realistic timeframe. This requires a maturity and realism among the

C-suite of leadership today. Additionally, it requires among the HR and L&D leaders a strength of capability and openness to innovation in the field of professional development.

The good news is that there is a greater sense of optimism and purpose among the heads of Human Resources as well as L&D. They, largely, feel empowered by their respective Chief Executive Officers in relation to the need to act and to implement strategic programs of talent development. Indeed, the insight gathered for this report points to a positive change in attitude toward the need to act. This is leading to an openness to learn from others, embrace change, and enable the talent of tomorrow to make the most of the curated learning opportunities presented to them today.



Research Methodology

Heads of Human Resources as well as Learning & Development across four continents were interviewed for this thought leadership report. The interviews were conducted either in person or via telephone and based around a prepared discussion scope. The interviewer for Fitch Learning was Sebastian Dovey, Thought Leader in Residence. The areas of examination in the research process included:

- 1 The changing attributes of leadership
- 2 The shifting work patterns of generations
- 3 The transformation of roles through technological advances
- 4 The adjustments in workplace learning techniques
- 5 The future content requirements of learning curriculums
- 6 The importance of qualifications and talent validation
- 7 The preferred learning pathways
- 8 The development of elite workforces
- 9 The importance of measurement and benchmarking for workforce effectiveness
- 10 The preferred future pools of talent recruitment

The annotated commentary gathered from the interviews was then analyzed and used as the foundation for the preparation of this thought leadership report. Interviews lasted 45-60 minutes, all viewpoints were gathered on an anonymous basis, and they were not recorded. A number of interviewees subsequently approved selected comments made by them to be published as part of this report.

“ Over 50% of the heads of L&D interviewed stressed that the industry needs to engage with the concept of a continuous ‘practise culture’ as part of talent programs. ”

Acknowledgements



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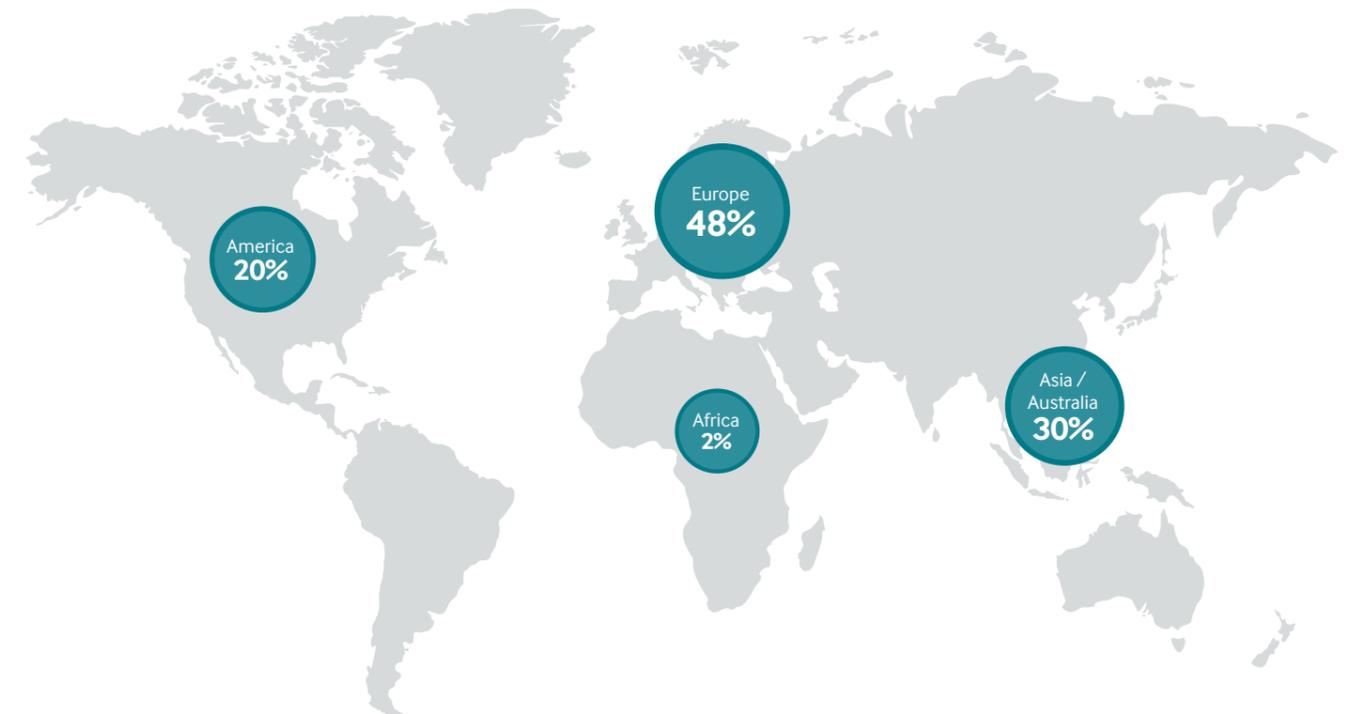
The insight developed in this report was based on a structured interview process that provided both qualitative and quantitative findings. The thinking behind this report was to achieve a global perspective and also viewpoints that spanned the

disciplines of Human Resources as well as L&D. The evaluations and the graphs are presented for better understanding of the industry professionals who supported the process.

Industry Fields of Interview Subjects



Geographic Participation



A special thanks goes to Mark Hamilton (independent specialist on talent management and inclusion with over 25 years' financial markets experience worldwide with blue chip organizations), Saurabh Jain (ABN Amro's Head of Human Resources in Singapore), Gail Lawrence (Senior Vice President Director of Wells Fargo's Analyst and Associate Training Program in the United States), Anish Mitra (Goldman Sachs Vice President responsible for Investment Banking L&D), Anke Kirn (Deutsche Bank's Head of Human Resources, Germany), Miquel Alonso (20-year industry veteran in talent development and Co-Founder and Chief Science Officer of the Artificial Intelligence Finance Institute), Glen McGowan (HSBC's Global Head of GBM Emerging and Future Talent), David Sicari (Standard Chartered Bank's Head of Learning for the Private Bank, Wealth

Management and Global Support Functions), Kevin Engholm (Citibank Institutional Client Group's head of Early Career and Enterprise O&T Learning & Development), Mona Vosoughi (Deutsche Bank's L&D Specialist for the Americas), Markus Tanner (Global Head of UBS University – Business Academy), Mukta Arya (Head of HR for Southeast Asia and Head of People and Talent Development across Asia Pacific for Société Générale Bank), Christina Sinclair (Head of Non-Financial Risk and Conduct for Institutional Banking and Markets at Commonwealth Bank of Australia), Andy Jackson (Global Head of Human Resources of Fitch Ratings based in New York), Kian Hsing Aw (Development Bank of Singapore's head of Global Credit Managers) and to other participants who have supported us in our research but who would like to remain anonymous.

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