Banks woo talent for less glitzy back-end jobs

Growth in private, investment banking fuels firm demand for operations staff

By Bryan Lee

THEIR work may not take them to fancy restaurants, nor do they get to rub shoulders with the rich and powerful. But opportunities are plentiful for those willing to forgo the glitz and glamour of investment or private banking.

Banks are racing to hire thousands of “back-end” support staff in Singapore and are pulling out all the stops to woo talent to fill up global operations centres they set up here in recent years.

Better salaries and fast-track programmes are some of the ways they hope to persuade fresh graduates to look beyond front-end jobs — often favoured for their perceived glitz and potentially astronomical bonuses.

UBS’ private banking arm has introduced a management associate programme to attract high-flyers for jobs such as marketing and training.

The Swiss bank spends more than US$100,000 (S$144,400) over 18 months on each candidate, who will be trained at a swish campus located at the residence of the late former president Ong Teng Cheong.

“The competition for talent has intensified greatly. A lot of our competitors have made Singapore a regional or global operations centre,” said Ms Patricia Enslow, UBS’ Asia-Pacific head of market strategy and development for wealth management.

Some of the global financial giants that have set up shop in the Republic include Credit Suisse, Merrill Lynch, Deutsche Bank, Barclays Capital and Citigroup.

The rush for operations talent is also the result of rapid growth in their Asian units. As they expand their armies of sales-winning front-enders, the need for all sorts of support executives — such as cash managers, fund accountants and information technology engineers — rises even more.

Ms Enslow said: “For every private banker, there will be about two back-end staff supporting him or her.”

At Credit Suisse, 3,500 of its 4,500 staff in Singapore are involved in support services.

Its Asia-Pacific public policy head, Mr Jose Camacho, said the increasing complexity of new products, risk monitoring and regulatory requirements are fueling the expansion in the bank’s middle and back-office functions.

Citigroup’s aggressive growth plans and a trend of locating work away from more expensive America and Europe will necessitate more support staff, said Mr Andrew Butcher, who heads its middle and back-office operations in the Asia-Pacific.

He declined to disclose how many more support staff the American bank will be hiring but a new operations centre in Changi announced last week will have a capacity for 4,000 staff by 2010. This is 1,000 more than the 3,000 operations and technology staff it now employs in Singapore.

The acute need for back-end staff is prompting banks to relook their remuneration policies.

Ms Angela Kuek, banking and financial services manager at recruitment firm Hudson Global Resources, noted that as “revenue generators” front-end staff tend to get paid 10 to 15 per cent more. And that is before bonuses and commissions.

“Generally, people aspiring to enter the banking sector will go for the glamorous front-end positions,” she said.

But Ms Enslow said the pay gap between front- and back-end executives has been narrowing, especially at senior management levels.

Mr Butcher said this was because operational efficiency and technology superiority are increasing key to a bank’s profitability.

bryantlee@sph.com.sg

Post your comments online at www.straitstimes.com