

AS RESTRICTIONS EASE on foreign financial institutions on the mainland and the market opens further, a lack of suitable employees may frustrate banking firms' expansion and sustainability plans.

Linda Downs, Standard Chartered head of resources, Northeast Asia, said building a financial workforce on the mainland was a complex exercise requiring talent at every level. She said banks faced a number of problems when recruiting staff, due in part to the difficulty in locating suitably qualified candidates.

Standard Chartered is on a recruitment drive to hire hundreds of employees to staff the 18 new branches it plans to open across the mainland. Hong Kong candidates who are suitably qualified are also eligible to apply for positions.

Standard Chartered, which set up its first branch in Shanghai in 1858, now operates 10 branches, four sub-branches and four representative offices on the mainland.

The mainland banking sector is now open to foreign investors as part of the nation's commitment to the World Trade Organisation, so more foreign banks are starting or expanding their operations on the mainland, and that is heightening competition.

Most Hong Kong banks have been building branch networks in China for several years and are starting to see their efforts bear fruit in the form of rising profits.

Standard Chartered, HSBC, Hang Seng Bank and the Bank of East Asia are among the major players from Hong Kong looking to cash in on the nation's huge financial opportunities.

However, the lifting of restrictions applies further pressure on the human talent pool. In the banking sector alone, more than 60 foreign banks are competing with the mainland's four main state-owned commercial banks and many smaller operations to attract employees.

Ms Downs said having access to a substantial talent pipeline to fuel sustainable growth was a critical requirement. "A key question to answer before the talent search begins is what sort of person is best suited and potentially available for each position. The challenge is to take the existing hiring process that works on a case-by-case basis and make it more scalable and cost effective," she said.

Poaching or hiring employees who have already been trained or work for other enterprises on the mainland is commonplace. These job hires are often well trained, but in order to tempt them away from their employers, the recruiting company must increase a



[RECRUITMENT DRIVE]

StanChart pulls out all the stops

The bank is using an RPO to help recruit hundreds of staff on the mainland, writes *Chris Davis*



potential employee's remuneration or offer other competitive benefits. Mainland banks have joined the race, attracting some employees from other banks with the promise of better wages and higher positions. This practice is driving the wages of skilled local employees ever higher.

Standard Chartered has engaged Recruitment Process Outsourcing (RPO) specialist Tal-os Asia to expand its recruitment processes.

Although well established in Europe,

RPO is a relatively new concept in Asia. It is a system that allows organisations to contract out the management and delivery of any or all aspects of its recruitment requirements. The process generally involves substantial re-engineering of the organisation's recruitment processes. From the RPO provider's position, it demands in-depth consultation, close working partnerships and a keen understanding of business drivers.

Ms Downs said engaging the

Erica Perry Briody (left), of Tal-os Asia and Standard Chartered's Linda Downs are working to strengthen staff numbers on the mainland. Ms Downs says using an RPO will not diminish the role of the bank's human resources capabilities, but will be more cost effective.

Photo: Dickson Lee

services of an RPO company would not diminish the role of Standard Chartered's human resources capabilities, but would make the entire recruitment process more fluid and cost effective. The firm would continue with its well-established practice of nurturing, training and promoting from within. "We are not outsourcing our entire hiring processes but partnering with an RPO company to achieve greater flexibility and specific hiring goals," Ms Downs said.

More employees are expressing interest in moving to the mainland, particularly to Shanghai and Beijing. However, tempting suitable candidates to move to second and third-tier cities poses more difficulties.

Erica Perry Briody, managing director of Tal-os Asia, said the mainland had many unique issues related to the balance of supply and demand for talent in the banking industry.

"Overall demographic issues are combining to create a painful scarcity of talent at a variety of levels. Recruitment in the mainland's second and third-tier cities is a particular problem," she said.

Tal-os Asia will identify, screen and select candidates based on Standard Chartered's specifications. The recruitment firm maintains a large database of candidates with varying capabilities, which allows it to locate potential candidates quickly and efficiently.

"Using an RPO firm ensures that a hiring company will not waste time sorting through unsuitable CV's. In addition, a well organised RPO firm is capable of screening potential candidates and completing a background check on their qualifications," Ms Briody said.

"Our tried and tested approach is built around getting under the skin of our client's corporate culture so that we fully understand their key business issues," Ms Briody said.