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The World of Work

The Future of Competencies and Skills

Egyptian Banking Sector Case

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Part One: Banks and Bankers of the Future



Reshaping the Workforce of the future

- **65% of children entering primary school today will ultimately end up working in completely new job types that don't yet exist.**– *World Economic Forum*



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Reshaping the Workforce of the future

- **The idea of learning – work – Retire is of the past.**
- **Nowadays people should learn – work -relearn – work and so on.**



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Reshaping the Workforce of the future

- **We need people that are multiskilled. Each worker has to acquire a mix of skills in depth. Creativity only for example is not enough.**



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Reshaping the Workforce of the future

- **Depressing news for workforce that 35 million jobs as per the world jobs report will disappear across different sectors not only the financial sector by 2022.**
- **However, it is not a bad news to worry about as long as the double of this number are jobs that will emerge in the new changing work landscape. This is the opportunity of Growth of Roles**



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Forces Shaping Financial Services Industry



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The Jobs Landscape: Emerging and Declining Jobs

Financial Services Industry	
Emerging Jobs	Declining Jobs
Data Analysts and Scientists	Data Entry Clerks
AI and Machine Learning Specialists	Administrative and Executive Secretaries
User Experience and Human-Machine Interaction Designers	Accounting, Bookkeeping and Payroll Clerks
Digital Transformation Specialists	Business Services and Administration Managers
Sales and Marketing Professionals	Bank Tellers and Related Clerks
Client Information and Customer Service Workers	Management and Organization Analysts
Innovation Professionals	Financial Analysts
Information Technology Services	Postal Service Clerks
Information Security Analysts	Credit and Loans Officers
General and Operations Managers	Accountants and Auditors

Source: Future of Jobs Report, World Economic Forum, 2018



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Future Trending Skills Demand

World Economic Forum Trending Skills demand 2022

Analytical thinking and innovation

Active learning and learning strategies

Creativity, originality and initiative

Technology design and programming

Critical thinking and analysis

Complex problem-solving

Leadership and social influence

Emotional intelligence

Reasoning, problem-solving and ideation

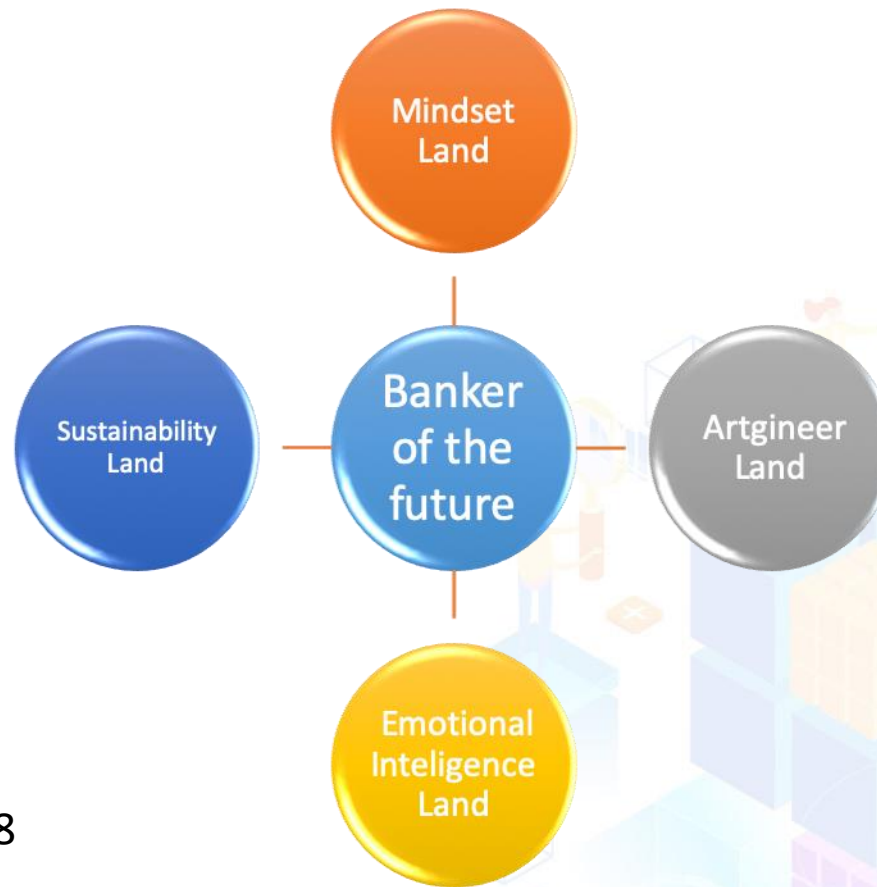
Systems analysis and evaluation

Source: Future of Jobs Survey 2018, World Economic Forum



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The Characteristics of the Banker of the Future



KPMG, 2018



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1- The Mindset land

- Bankers of the future must move from fixed mindset attitude that resists to changes, tends to stay at the comfort zone, assumes that talents, intelligence, and creativity are static givens to a more flexible and open mindset.
- These people are always willing to take further steps to acquire new skills and competencies.
- People with fixed mindset by time will figure out that their value inside their organizations is depreciating.

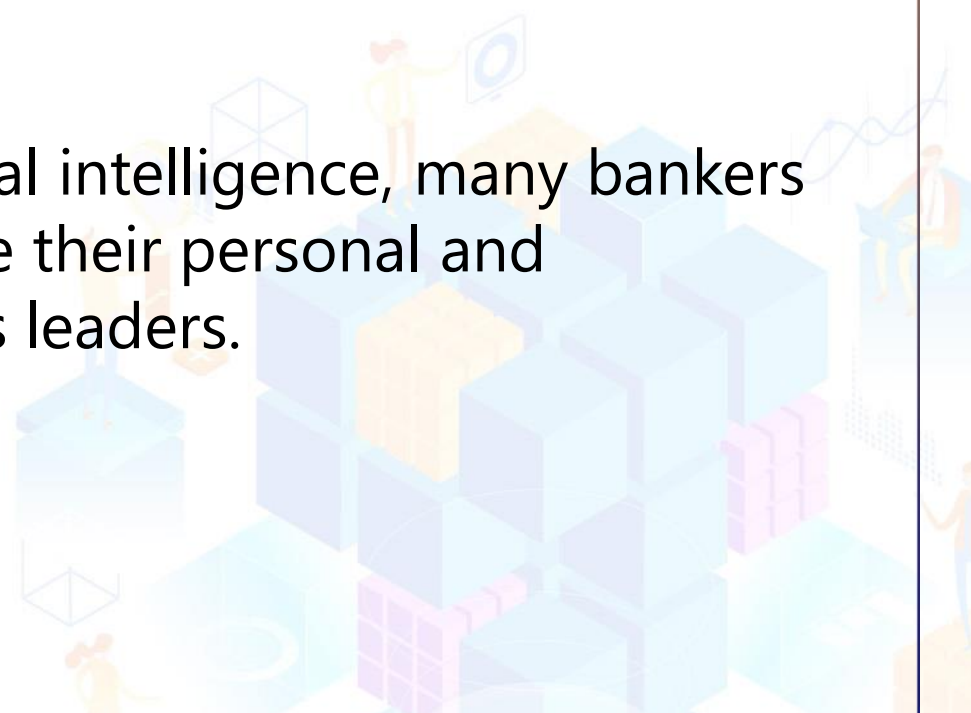
2-The Artgineer Land:

- Bankers of tomorrow ought to be both engineers and artists through being strategic thinkers, analytical, visionary, creative, innovative, relationship driven and passionate about their areas of expertise.
- These people are very keen to maintain positive relationships with their team members and highly consider building strong relationship with customers, based on mutual trust and respect.



3- The Emotional Intelligence Land:

- Emotional intelligence is one of the most critical elements of personal and professional success in the workforce new era. It is an essential predictor of performance and a strong driver of leadership.
- Without controlled emotional intelligence, many bankers will find it difficult to achieve their personal and professional goals, mainly as leaders.



4- The Sustainability Land:

- The competence of sustainability is related to banker's ability to survive and continue in the era of digital transformation, it is about maintaining the success in the long run.

Sustainability land depends on 5 pillars:

- Having a Higher Purpose.
- Optimism
- Proactive Career Management
- Social Capital
- Well-being (mental, emotional, physical and spiritual health).



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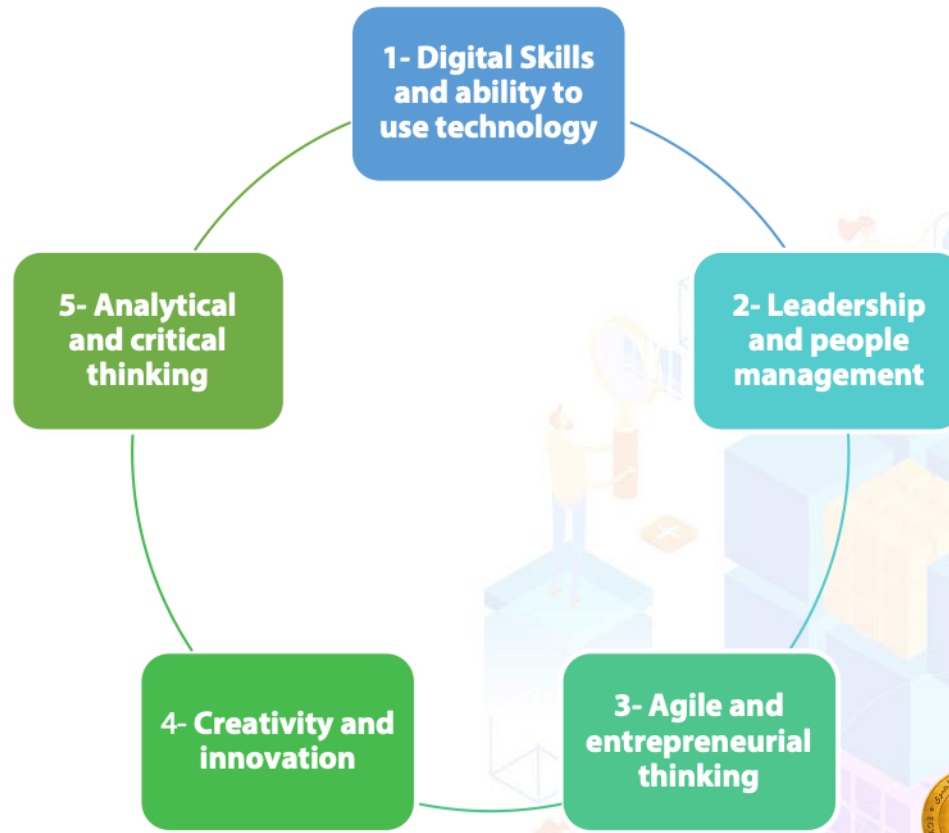


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Part Two: Future of Competencies and Skills Survey Analysis - Egyptian Banking Sector Case.

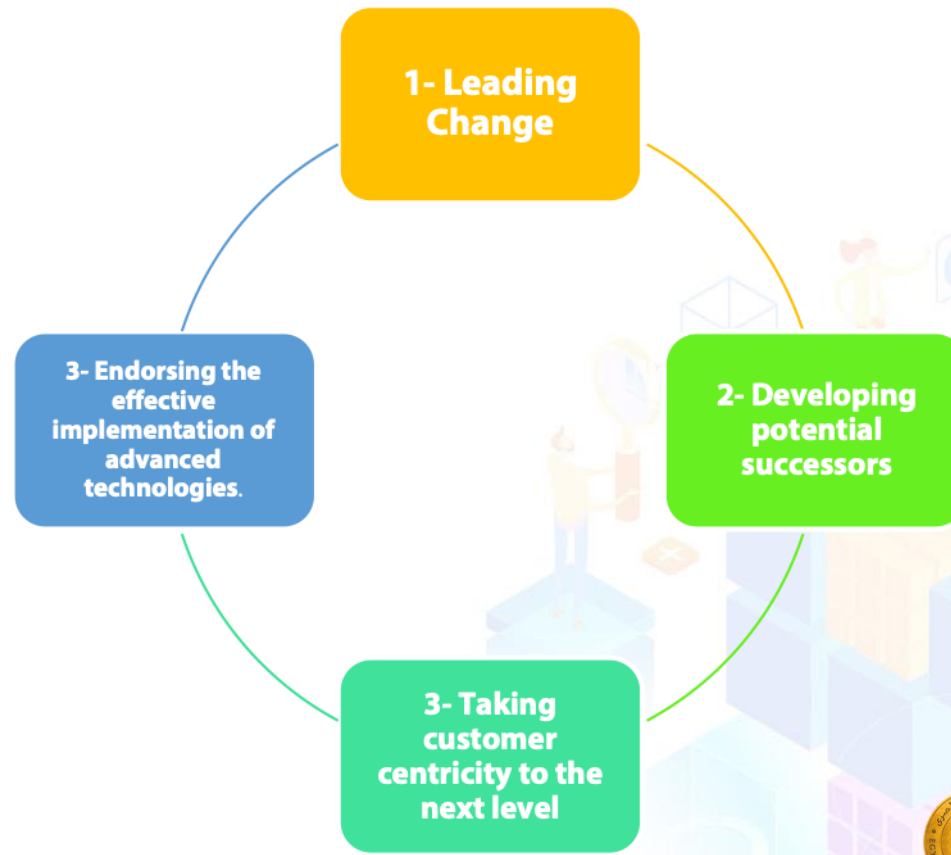


Egyptian Banks' HR Leaders Top 5 Skills for the Future



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Top 3 leadership behaviors



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Recent Trends and Competency Levels

Trends excepted to be covered by Egyptian bank's competency level:

- Enhancing customer experience.
- Responding to regulatory changes and meeting compliance requirements.
- Achieving financial inclusion objectives.
- Enhancing security controls and cybersecurity tools.
- Protecting customer interest, facilitating secure exchange of customer data with third party ecosystems.

Trends that will need higher competency level (skills gap):

- Expanding advanced technologies and digital solutions.
- Improving data analytics capabilities.
- Building partnership between the bank and FinTech firms.



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Building The Workforce of the Future Progress

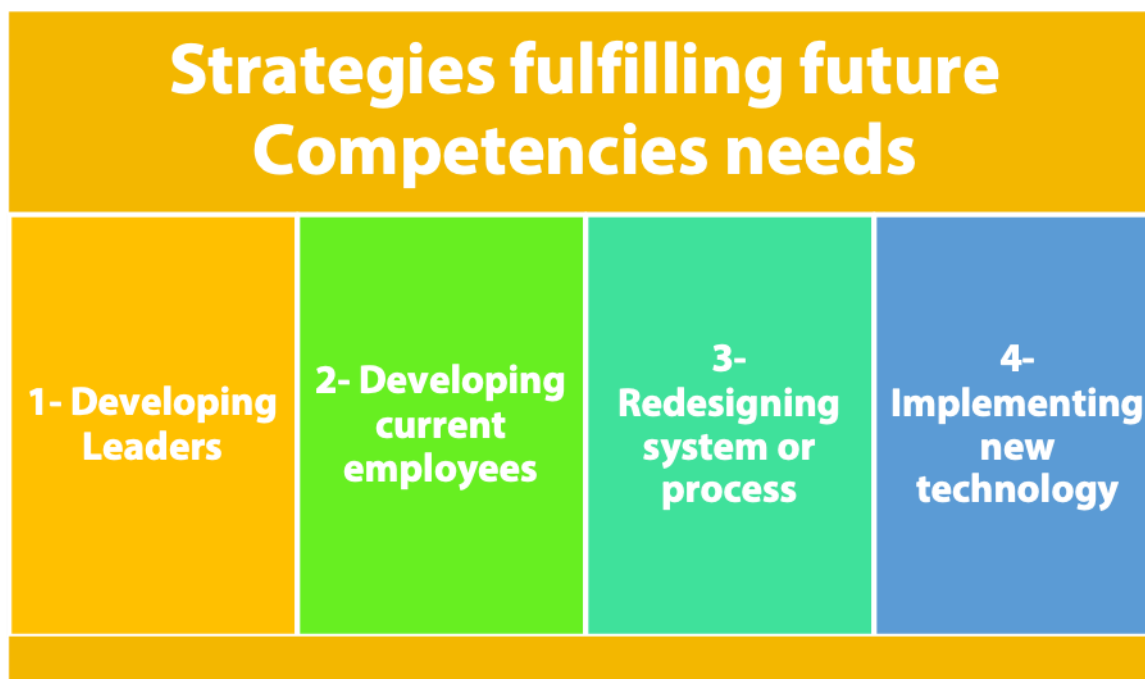
Building The Workforce of the Future Progress – Egypt Banks	
70%	Moderate Progress
20%	Significant Progress
10%	Slight Progress

The lack of skilled talent especially digital skills are the main obstacles facing Egyptian banks to build the workforce of the future



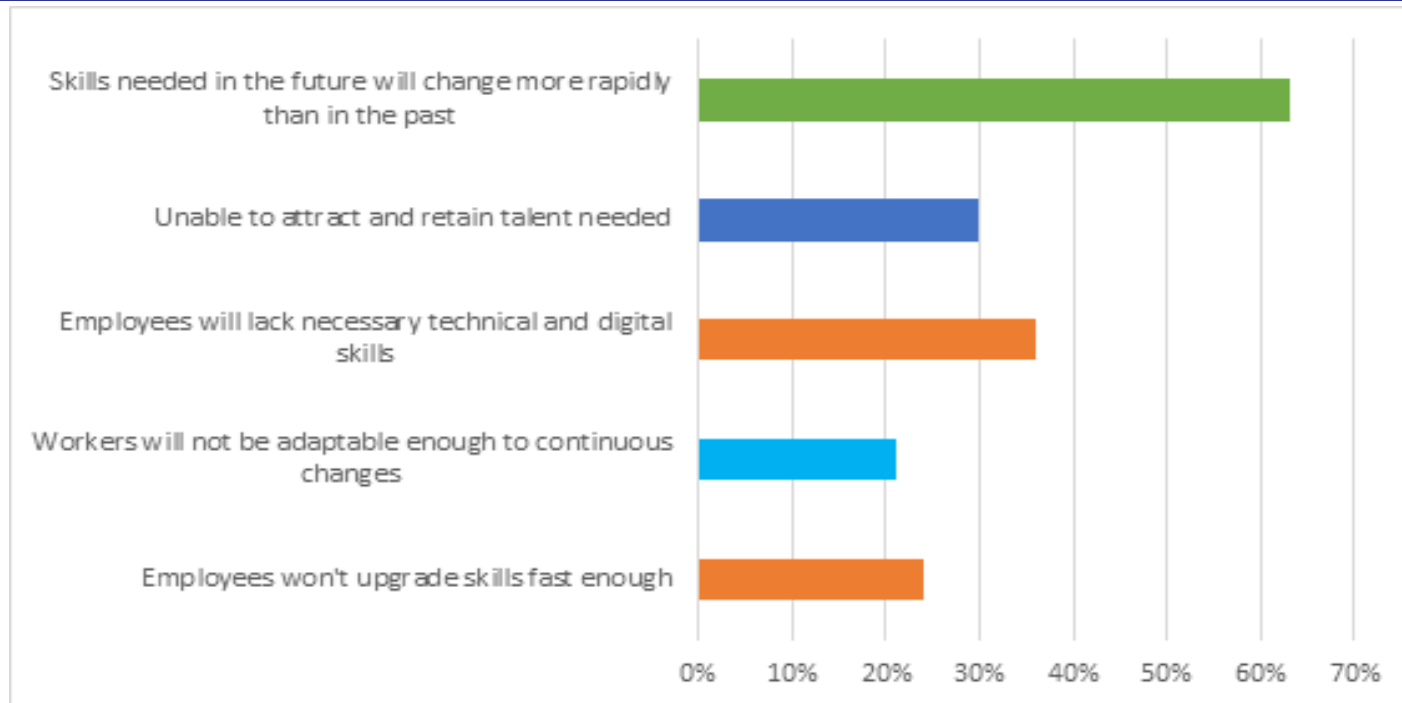
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Strategies fulfilling future Competencies needs



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Biggest Concerns



- 63% Skills needed in the future will change more rapidly than in the past.
- 36% Employees may lack necessary technical and digital skills.
- 30% Expecting talent attraction and retention to be difficult.



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Labor Market Shifts Affecting Workforce

1. Millennials entering the workforce.
2. Lack of second line in the hierarchy of the bank.
3. Difficulty recruiting employees with the needed skills.
4. Decrease labor supply.
5. Aging workforce.
6. Increasing number of turnovers.



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Part Three: Study Recommendations



Recommendations

On Individual Level:

- A mindset of agile learning or “Growth Mindset”: Bankers of the future will need to be **adaptable lifelong learners**. They will increasingly be called upon to continually **reassess the skills** they need, and quickly put together the right resources to develop and update their capabilities and general performance.
- To sustain their positions, each worker has to acquire a mix of skills, to be “**multiskilled**” and to be able to do more than one job in the same place. Technology will not only substitute workforce for machinery, but it will also oblige banks staffs to acquire multiple skills to increase banks productivity and minimize costs.



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Recommendations

On Organization Level:

- Business leaders should dedicate significant efforts to formulate **a comprehensive workforce strategy**, to meet the challenges of the new era. This strategy should be aligned with the objective of benefiting from technology adoption to complement and enhance human workforces' potentials and strength. In this context, leaders have to identify **how technology is redesigning work, customer experience, productivity and enable a focus on more value-added tasks.**
- Building the future of work requires sophisticated **workforce planning** and predictive analytics to plan for talent in different future scenarios.



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Recommendations

- **Human resources professionals** should reconsider traditional methods for identifying critical skills, as well as selecting and developing talent. HR professionals have to highly consider talent retention and to focus on **updating the needed skills** to achieve sustainable success.
- Updated training and learning development plans will be required to **re and upskill all employees in different levels based on future analysis of the competencies & skills needs.**



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Part Four: Final Remarks



3 Core objectives:

The banker of the future should be able to function to achieve 3 core objectives:

- Generating better insights.
- Providing better customer advice.
- Making better, faster and more responsible decisions.



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3 Core Competencies

Therefore, the following competencies are fundamental and needed in the coming years:

- Be able to establish internal and external trust.
- Ask the right question.
- Turn inputs to right conclusions and communicate them effectively.

These skills are needed to be demonstrated and verified to be credible.



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- Since the fast pace of change and innovation requires people to perform in a much higher level, the traditional tasks that are handled by humans will be replaced by Algorithms.
- The skills needed to perform those tasks will no longer be valued to the same extent.



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- The banker will only be needed if he\she adds value above and beyond what is done by Algorithm. This will require an enhanced element of human judgments, that is what we can bring to the table to continue to add value to financial organizations.



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- **So, how could we evaluate and teach this good type of human judgment? This is an important question.**

In EBI we try to focus on:

- Real life case scenarios and Case studies
- Focus quite carefully on the ability to generate right conclusions from the variance scenarios associated with those cases.
- We make sure that bankers evaluate these conclusions from the perspective of the customer; how the banker understands the customers' needs and knows how their needs are sensitive.



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- Augmented by AI, Algorithm, Automation, our job is to go above and beyond that, and that means making decisions that call upon human judgments; that is the added value.
- Those insights which are things that technology can't solely provide, but humans can.



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- If you talk to a customer and give an advice, the customer can go online and get the same advice. How a banker can provide a better advice than a one that is available online?
- It could be being trusted, it could be by having the relationship, or understanding the customer preference better than a machine.



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Thank You

