

SECTOR: Finance: Banks

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About the industry

South Africa has a well-developed, stable banking system in place which is globally competitive and which boasts an infrastructure in line with the top banking sectors in the world. In fact, South Africa has a reputation for having one of the most advanced banking industries in the world.

South African banks are well capitalised above the minimum requirement of 10 percent. The sector includes more than 30 banks, including a central bank, a handful of large, financially strong banks and investment institutions, and a number of smaller banks.

There is healthy competition between domestic banks as well as international banks which have a presence in the country. The big four retail banks include Absa – which has been acquired by Barclays – First National Bank, Standard Bank and Nedbank. Smaller banks including Investec, Capitec, the South African Bank of Athens and Deutsche Bank cater for specific niche market requirements.

All banks are required to be registered with the Office of the Registrar of Banks and are regulated in terms of international best practice.

Although the sector is currently under threat from international forces, it is remarkably resilient due to cutting edge regulations such as Basel II and the innate conservatism of bank management.

Banking is the only industry to have customers on both sides of its balance sheet which means that at any given time, half of its customer base is unhappy depending on where interest rates are situated.

FACT:

The banking industry collectively employs well over 100 000 people. A significant proportion of these positions are for graduates.

Qualifications

The banking sector offers a wide choice of careers including positions in corporate finance, financial analysis, equity broking, trading, sales, credit management, risk management, administration, debtor control, fund management, project management, general management, payments, office management, customer service, human resources, client portfolio analysts, legal, investment banking, home loans, process engineering, marketing and information technology, to name but a few.

To find out more about what it's like to work for FNB visit:



www.bestcompaniesstoworkfor.co.za

Organisations in the banks sector in Careers SA:

- Absa *see p75*
- Development Bank of Southern Africa *see also p91*
- First National Bank *see also p99*
- Nedbank *see p111*
- Standard Bank *see p123 and p141*

Banks offer positions in a number of different market segments including retail, commercial, investment, merchant banking, treasury, lower-income, high net worth, and so on.

The sector typically looks for graduates with quantitative degrees including actuarial science, mathematics, investment management, engineering, computer science and economics. They tend to recruit graduates from all B.Com financial streams including chartered accountants, finance, financial management and economic streams. However, even graduates with unrelated degrees can make successful careers at banks. Most banks will consider graduates with degrees in business science, property management and even social science degrees.

Like many industries, banks are affected by the shortage of appropriately qualified individuals. BankSETA (Sector Education and Training Authority) provides training initiatives which support the development of graduates entering the banking sector. Most banks also make substantial investments through learnerships, management training and graduate development programmes, to support the development of staff.

Personality traits

As the banking sector offers such a vast array of possible career choices there is no single personality type that is better suited to the industry than another. Most banks vary significantly in terms of culture so it's a good idea to get an understanding of the culture of the bank where you're considering taking up employment as some have a preference for those who do well in a routine, bureaucratic type of environment, while others prefer >>

innovative risk takers. Cultures are also impacted by whether the bank operates according to centralised or decentralised environments.

Bank employees need to have high levels of integrity; not surprising, considering that you will be working with other people's money. The banking industry is a complex environment with numerous rules and regulations, so employees need to have a good understanding of banking regulations.

According to Joanna Preston, graduate recruitment and development at FNB, graduates who do well at FNB are those that are able to work independently and are self-starters with a can-do attitude.

Graduates who do well in the banking sector tend to have strong interpersonal skills, the ability to demonstrate business knowledge, good teamwork abilities, high levels of emotional intelligence, the ability to work under pressure and professionalism. ■

Pros and cons

- + On the plus side, the banking sector is an exciting and rapidly changing industry to be a part of. Local South African banks have taken the lead in many global banking innovations. It was the first country to introduce interoperability of ATM cards, the first developing country to introduce credit cards, the first African country to introduce ATMs and the first to include biometric data on cards for secure payments.
- + In addition to being a part of a very progressive sector, as an employee in the banking sector you will be in touch with both the local and global economy and have numerous career paths available to you.
- + Most banks offer competitive salaries and benefits. Furthermore, the promotional opportunities are excellent, particularly at the larger banks. In general, the banking sector offers excellent opportunities for development and further education with sophisticated graduate development programmes in place.
- + The South African banking industry is well regulated and highly regarded by the international business and banking community.
- + A number of banks have operations beyond South Africa's border which means that there are opportunities for international secondments.
- + Bank employees receive favourable interest rates for car and house loans as well as having access to bursaries and study programmes.
- The downside is that some banks can be very bureaucratic. Many of them employ vast numbers of people which may not be an ideal situation for everybody. Preston recommends that you research the bank's culture to ensure that it fits in with the environment which you have in mind for yourself. Investment banks, for instance, have a very different culture to retail banks.
- There is stiff competition from graduates to enter the graduate programmes of the top banks, so you need to have a passion for the sector and finance. As the sector is influenced by local and international financial markets, the work can be stressful.



Wendy Kenosi
Business Analyst for
First National Bank

'What attracted me to the banking sector was that I would be involved with something that is part of everyone's everyday life. It's a people-centred industry and what drew me to it is the fact that it's an industry that people interact with on a daily basis. As a graduate I thought it would be interesting – particularly from an IT perspective – to be involved with integrating new trends into such a conservative industry.'

'I decided to join FNB because of the graduate programme they offer and the culture of the company. In fact, it is their culture that really appealed to me – more than its success or the fact that it has held a leadership position in the banking industry for some time.'

'To be really honest I actually had no idea what exactly I wanted to do and even though I had studied a specific field – B.Com Informatics – somehow the opportunities became broader once I'd entered the job market. FNB's graduate programme offered me the opportunity to experience different positions in the same company and has a programme that is designed to groom graduates into careers rather than filling a vacant position. I haven't regretted my decision.'

FOR MORE INFO:

www.michaelpage.co.za/content/16139/banking-and-finance.html

www.kent.ac.uk/careers/sitebank.htm

www.bankseta.org.za