



António Neto da Silva

CEO at the IFB. He was Secretary of State for Foreign Trade. He was the head negotiator of the USD 3 billion investment in Portugal by the Ford/VW joint venture that founded AUTOEUROPA. He was Chairman of the Foreign Affairs, Trade Policy and Cooperation for Development Commission of the EEC and EURATOM Economic and Social Committee in Brussels.



AUTOR

He was a founder and for 15 years a key shareholder and Chairman of the Board of Directors of Deimos Engenharia, S.A., a spatial engineering company with customers such as ESA and NASA. He was Vice-President of the ICEP and a member of the Advisory Board, Supervisory Board and Audit Committee of a bank and an insurance company. He is the Vice-Chairman of the General Meeting of Shareholders of the CIP, the Portuguese business confederation. He was Chairman of Proespaço – Associação das Indústrias do Espaço. He was a member of the Board of Eurospace, the European association of space industries and Chairman of its Financial Committee. He is a lecturer in economics at Universidade Católica de Lisboa.



RESUMEN
EJECUTIVO

Instituto de Formação Bancária (IFB - Bank Training Institute) was founded by the banks 38 years ago to be its top training provider. It has played a notable role in improving the banking skills and qualifications of employees in the financial sector. The changes and constraints that the sector has experienced have naturally affected the institution and required measures to provide a new impetus to IFB, which began a new cycle in 2017 and returned to its essential values.



IFB: heading for the future! - Case study of an organization that had to adjust to new times, constraints and challenges

Instituto de Formação Bancária (IFB - Bank Training Institute) was founded by the Portuguese banks 38 years ago to provide the APB member banks and, in addition, other companies in the financial and other business sectors with training aimed at the development of their human resources. This was how it complemented these institutions' internal structures. The IFB is a key institution that HR managers considered an unrivalled **top-of-mind model in specialised bank training** in a recent survey. The IFB's main **competitive advantages** are its know-how, flexibility in adapting to customers' specific needs and characteristics, price and gift for communication.

It also has another very important competitive advantage. This is the IFB's knowledge and experience from working with the vast majority of the banks operating in Portugal and their membership of Associação Portuguesa de Bancos (APB - Portuguese Banking Association) and its special familiarity with the sector. Our financial institutions regard the IFB as a **banking specialist**.

This image, along with its know-how, means that the banks rely on the IFB to keep up with current and imminent compliance and certification matters.

This recognition was not enough, however, to prevent the difficulties in the socioeconomic environment.

Indeed, the serious crisis in recent years, which hit the financial sector particularly hard, had lasting effects on the sector's training organisation. The need for structural adjustment of the entire sector also affected the IFB. A focus on cost reduction throughout the banking sector, to which vocational training was not immune, was followed by an inevitable orientation towards the structural adjustment of the institute itself in view of a decrease in demand for training from the sector. This adjustment, which was aimed at a substantial reduction in costs, entailed laying off around 50 of the IFB's 85 employees. It currently has 34. The outlook was one of pessimism with regard to the future.

On 10 July 2017, at the end of this painful restructuring, I was given the task of heading the IFB and leading it alive into a new phase. There was an urgent need to implement priorities and, given the circumstances, most of them had to be implemented fast and simultaneously. The first priority that I set was to **win back the market**. It was a pressing need at a time when there was still a sizeable opportunity. The mandatory nature of the

training required by the Directive on Markets in Financial Instruments (MiFID II) created a market of around 30,000 trainees that had to complete their training by the end of 2017. We came up against highly aggressive competition. As a result we also took an aggressive attitude that achieved us a substantial number of trainees (around 20,000). After this, the second priority was implemented at the same time as the occupation of our natural market. We had to regain the **trust and enthusiasm of all the IFB's employees**. Fortunately, I found a highly professional management team and employees at all levels who embraced the stimulus to implement a new winning paradigm enthusiastically and with great personal commitment. This team was largely responsible for our success. As we got work from our members, the dream of going down a dynamic path created further enthusiasm. Today, the IFB is highly motivated towards consolidating the criteria of excellence in the field for which the banks founded it 38 years ago, i.e. bank training.

Understandably, in order to win back the market we had to show the banks that their IFB was alive and kicking and able to provide large-scale training on the road to excellent service. In fact, many of the banks that I contacted immediately after I took over were under the impression that the IFB was being wound up and that it would be very risky to give us work, especially work that met the need for large-scale training with tight deadlines dictated by the regulator.

With an immediate, face-to-face approach, it was possible **to regain our customers' trust** in the dynamics under way at the IFB and, as I said, win back our natural market. With some entities, I had trouble speaking to the key people in good time, as many decisions were being made at the banks on the rapid award of training contracts. We arrived at the last minute, but still in time for most of the institutions.

The fourth priority, which was built and consolidated gradually, was raising the APB members' awareness of **our belonging**.

Indeed, the banks founded the IFB to provide quality training to their employees. They wanted flexible training in rapid response to needs that arose, at a price that meant that they did not have to depend on outside providers. These outside providers would have no real vocation for training but would regard bank training opportunities as a way of achieving substantial profits, provided that the banks depended on them as a last resort, which is what would have happened if they had not had their own training organisation. The IFB **belongs** to Associação Portuguesa de Bancos. In other words, the IFB belongs to the banks. It is therefore not an outside provider that has to submit bids with other entities that would find it difficult to provide the same level of training service. This is because bank training is in the IFB's DNA, which cannot be said for any other organisation. It is the only reason for our existence. The IFB also exists to design training programmes

for the banking sector. It is not there to make a profit. It is therefore unbeatable, provided that it keeps its current attitude: SERVE THE MEMBERS.

This awareness of belonging is being rebuilt. In order for it to dominate, we are implementing coordination that means that training programmes are constructed by the banks within the IFB.

The fifth priority **is turning the IFB towards the future**. It is a matter of instilling permanent awareness in the IFB so that it can anticipate what is going to happen in the future of banking and devise courses, seminars and workshops that teach deciders about the changes that are taking place and to anticipate future training needs and implement appropriate training before these changes have time to occur.

The IFB therefore has to devote its attention to **three aspects**:

- 1** Response to training needs required by the regulators (e.g. MiFID II, mortgages, IFRS 9, data protection)
- 2** Response to specific needs expressed by the financial institutions
- 3** Provision of the training that the future will require in accordance with foreseeable developments in the markets and technologies We are already preparing training courses, some jointly with Portuguese organisations and others with specialised foreign entities, in order to retrain our current human resources for the digital field and for innovation and change management.

In 2017 and now in 2018, as part of our preparation for the future, we have begun training in two areas: digital (e.g. cyber-security in the banking sector, general regulation of data protection) and innovation (e.g. design thinking: designing an innovation plan and change management)

We will be constantly on the lookout for changes that may occur. We believe that a watchful eye, the humility to try without ever giving up and the ability to make things happen are the ingredients that an organisation needs to adjust to new times that are always full of challenges and constraints. But they are also full of opportunities that we have to know how to create!