



The Institute of Bankers
in South Africa

CEO report to the 113th AGM of the IOBSA

It gives me great pleasure to present the report for the period August 2016 to August 2017.

During the past twelve months, the Board have continued to consider the role that the Institute should play for the sector- a role which would add value to our members and equally to the sector.

In January 2017, the Lafferty Group published its “Global Bank Quality Benchmarking Survey” which once again saw SA banks rated top in the world. This is a huge accolade for our local banking sector and speaks to the calibre of management as well the staff who are employed in the sector. Additionally, the regulatory oversight imposed by the SARB and the requirements of FAIS also factor into this assessment and the performance of our banks.

The Institute has walked a long road with the sector and it is the Professional Body for the sector. This is an independent registration which SAQA awards and audits. The IOB has an industry wide focus which allows it to add value across the sector.

Recognition of the IOB

The Institute is recognised by the SARB, the FSB, BASA and BankSeta as performing a valued and unique role for the sector. As a membership organisation it seeks to drive value for members and enhance their ongoing professionalism.

The sector recognises that the Institute plays a role but thus far has not fully come to the party regarding encouraging membership nor has it paid much heed to the designations which the IOBSA awards and which are formally registered and recorded with SAQA. This limited support is a factor of lack of marketing by the IOB as well as limited engagement with the Executives of the various banks. The Board has had capacity constraints but these have now been reduced with the appointment of a permanent CEO from 1 June 2017. It bears mentioning that since the re-establishment of the IOB it has functioned with an Executive Board and a Chairman who was also the Managing Executive on a part-time basis.

A major function of the CEO role will be to engender greater support for the IOB by the banks as well as increasing its visibility.

2016/2017 was again a busy year and a year where we start a new chapter in moving the Institute forward.

I begin by introducing the Board Directors who gave of their valuable time and of their expertise and above all their commitment to see the Institute flourish under their watch:

Nico Agenbag

Derick Anderson

Marietjie Ferreira

Sharmila Govind

Sean Stevens

Derek Shirley

Douw van Der Walt

The Board I believe, lived by the saying: "Don't wait for opportunity, create it"

Membership

During the past year the IOB membership has remained static with little growth. This will now be a focus area as the IOB has managed to maintain its operations for the past five years on membership and examination fees and fees from the critical skills service. However, the increase in activity and the expansion in staffing will require more income from these areas. The current membership is still at around 900 from a sector of approximately 150 000. During the next year the target will be to increase membership to 5000.

Creating awareness within the sector and amongst the executive management will be required to achieve this target.

NCA examinations

The Institute has signed SLA's with 8 training providers for the NCA examination- a compliance requirement for F&I agents in motor dealerships. During the past year a project was started with the NMFA to re-evaluate the current NCA examination. It was felt that the current examination was a little too shallow and that it should include other FAIS areas such as compliance and money laundering. The Institute would become the final arbiter in the issuing of the NCA card for these agents. IOB together with the industry, would set the standard for the curriculum and for the examination which we will continue to run countrywide. All training providers will be registered with the IOB who will additionally ensure that the learning material is in line with the curriculum. The IOB will also have a database of F&I agents reflecting their NCA accreditation status. This will be accessible by the sector.

IOB Member database

The IOB members database will also be upgraded to allow for the introduction of CPD credits. The current database has served the IOB for more than 2 decades and needs upgrading. This will be undertaken shortly.

FAIS Amendment Bill- Draft Fit and proper requirements for Financial services providers

During the latter part of 2016 the FSB published the Draft Fit and proper requirements for comment. This is the first step towards a principle based approach and a move away from the current tick box approach to compliance. The IOB provided comment to the FSB on the proposed changes. A promulgated change is the requirement for professional bodies to quality assure CPD programs/activities provided by any provider or FSP to ensure that they match the standard required by the FSB. The professional body will also be responsible for setting the professional standard for the industry. In the case of the IOBSA we will ensure a consultative process is implemented to gain sector involvement and input on the standards. One of the key reasons for the IOB not to introduce its CPD program thus far was to await the finalisation of this piece of legislation given that it potentially might require a change to the IOB's policy. A further aspect of this draft is to have the Level 2 product knowledge regulatory exams replaced with two types of product training and assessment, namely class of business and specific product training and assessment. The FSB expects to release the final requirements at the end of this August. These changes have a considerable impact on the future role of the IOBSA. The Institute can undertake these roles and welcomes the proposals.

Critical skills visa letters

The Institute continues to issue these letters to applicants who meet the requirements for the specific categories where we can issue letters. We receive several requests weekly for the letters and many telephonic and email enquiries. The IOB has earned a reputation as one of only a few professional bodies who assist with these. As a result, we continue to receive applications from people who are outside banking and financial services and as such we do not assist. Our remit is only for applicants who have financial service experience and whose job description and experience matches the limited categories of letters in the Business, Economics and Management sector as well as some in the BPO sector. We will in future be accepting payment from abroad in either US Dollar or Rand as some applicants find it difficult to pay in Rand.

Collaboration and partnerships

The IOB name continues to draw interest from organisations seeking some sort of collaboration or partnership. As such we have been approached by amongst others The Rockefeller Foundation to assist in 'turning the lever' by equipping high potential, disadvantaged / marginalized youth with work, relevant soft skills and technical/digital skills related to industry demands and needs. This was based on an impact study which had been undertaken and which they wished to implement. However, capacity constraints and the fact that the scope lay beyond the role of the IOB currently meant that we decided against taking on this project.

Professional Bodies across various sectors have established a forum where matters pertaining to all such bodies are discussed and considered. This forum has now developed a common agreement to recognise the CPD of various similar bodies. This will make the attainment of CPD credits for members holding more than one membership simpler. It could also lead to the sharing of common CPD courses and programs. The Institute is a signatory to this agreement.

BankSeta and the IOB continue to strengthen their working relationship through projects which will benefit the sector. The Department of Labour has stated that the role of SETA's will change as of 2020. Current training undertaken through SETA's will likely devolve to the Quality Council for Trades and Occupations with the SETA's taking on a different and yet to be decided new role.

Debit order payments

This request has been raised several times by members. This refers to the days when the membership fees were paid by the banks and members were automatically debited annually.

We have made enquiries on whether this can again be done but have been advised by the bank that it is very costly for the IOB and the most appropriate method would be for a member to place a stop order on their own account to pay the IOB. In view of the low fees charged by the IOB it is felt that members could elect to pay in either 1 or 2 instalments. This will be implemented as of January 2018. However, it does appear that banks are still willing to pay the membership fees of their staff to belong to the IOB and members are encouraged to request their bank to pay the annual fee.

IOB member events

The Johannesburg members were invited to attend the inaugural event of the current remodelled IOB. This took the form of Woman's Day Breakfast at the Wanderers Club. The guest speaker was Melissa Dyer, Head of Advisory at Harbour Wealth, a boutique investment company. Her address was entitled Women and Financial Independence and it touched on the need for women to ensure their own financial future and their retirement.

Many of the key facts which she raised resonated with the audience who went away challenged and informed. The event served the additional purpose of informing the members and potential members of the role of the IOB and the value that it seeks to add for professionals. This was the first of many future events and the consensus in the audience was that networking events were a welcome addition to the IOB offering. The intention is to arrange events in other major centres across the country.

Academic Board

The Board of Directors decided that it should expand the role and activities of the Board by establishing various sub-committees of the Board. A formal invitation was sent to members who held post graduate qualifications to volunteer to serve on the Academic Board of the Institute. We received an excellent response with many members indicating their strong belief in the value of the IOB brand and their interest in giving back to the organisation and to the professional field to which they belong. The Directors interviewed all the qualifying applicants and appointed a Board. The first meeting of the committee was held two weeks ago and the following areas will be part of their remit:

- Ethics, Disciplinary, Complaints and Code of Conduct will focus on comparing the current offering with local and international best practice and maintaining the strong ethical culture of the sector
- Awards and Designations which will focus on considering the current designations and undertaking a review of the way they are awarded. They will also dovetail with the Research subcommittee regarding the Chartered Banker designation and award. Part of their consideration will be ensuring there is value for members regarding membership and retention of current members through innovative reward programs.
- Training Providers and Assessment which will focus on:
 - Criteria for Assessment
 - Providers to pay Annual subscriptions to be on database and get work.
 - Providers must pay us a % of their income for every course they receive from IOB
 - Try and connect to International Training Providers
 - Registered with Bankseta
 - Registered on Government Database
 - Registered with DHE (Needs more research)
 - Courses should be accredited by SAQA or have Credits per course (RPL)
- Research, Planning, Resourcing and Design Committee. The subcommittee will be researching amongst other topics the content and scope of the Chartered Banker Board examination, what will the future banker look like. It will also be researching IOB functions and value proposition against international best practice. A great deal of the work of this sub-committee will inform discussions and work in the other committees. Also look to create additional routes to Chartered Banker and PB

- Compliance which includes the NCA, RE exams and CPD. These are key areas for the IOBSA. It previously undertook the RE compliance exams for the sector and having had discussions again with the FSB regarding the possibility of again offering this examination it appears that the IOBSA may well be able to undertake this role in future. Discussions with the FSB indicated that the IOB should go through an application process to become a representative body for the FSB and then to go into the development of the framework for running these examinations. This discussion is still at a very early stage and the process will take some time to put in place however it is a role which the IOB is comfortable to play and willing to undertake. Members will be kept informed of the progress

I would like to invite the members of the Academic Board sub committees who are present to rise so that they can be introduced:

Sean Stevens Chairman

Marietjie Ferreira Deputy Chairman

Hanri Els- Standard Bank

Prof Trevor Govender- LTM Financial Group

Vinod Kailcharran Standard Bank

Jake Letsapa- Anglo American Platinum

Fhatuwani Madala- Nedbank

Marlene Marsden Nedbank

Farai Matanhire- United Breweries

Kwena Mokoto- SARS

Joel Ncube Standard Chartered Bank

John Philips ABSA

Reece Oakes - African Bank

Keeran Singh Nedbank

Monica Singh Nedbank

Christine Tapesana- Commercial Bank of Zimbabwe

Yolanda van Rooyen Nedbank

QCTO qualifications

Quality Council for Trades and Occupations will become the body which will be issuing new qualifications to replace those currently provided through the SETA's. There are various

roles which need to be fulfilled regarding these new qualifications and the Institute will be aiming to take on the role of the Assessment Quality Provider. This is in line with the role which it played when it issued its own qualifications. The BankSeta will take on the role of the Development Quality partner. The sector and providers will be involved in the creation of new sector qualifications which are relevant to the current environment. The Institute will be working together with BankSeta and BASA to ensure that these qualifications are developed as they will be required for future FAIS compliance.

Social media

The Institute now has a Facebook page and a Twitter handle. Both are intended for members to provide comment and input to the IOB on events run, possible future events as well as information which might be of interest to the membership. I invite you to “like” the Facebook page and to use the Twitter handle-“Jalda_listens” to send through comments and ideas to the CEO

New branding and Image

CHANGE DOES NOT ERASE TRADITION- IT STRENGTHENS IT. CHANGE IS A CHALLENGE AND AN OPPORTUNITY

When the IOB started the new journey towards relevance one of the matters which was frequently considered was the branding and logo of the IOB. The branding is an important part of the message which the IOB imparts to the sector. The time was now right to create a new brand image and I have great pleasure in introducing this to you. The Institute has as its primary focus the development of Professionals for the banking and financial services sector. As an Institute, we seek to bring together all the elements of your professional journey under the banner of the Institute to Build your Professional Capital. This Professional Capital is the essence of Brand YOU.

Our new logo takes those building blocks and drives them into the organisation which will focus on growing and developing professionals

I give you the new IOB logo and slogan!

Future focus

- Growth
- Support by banks
- Networking
- Expansion to other regions

- Compliance developments notably the implementation of CPD and the process to become a registered body with the FSB for the RE examination
- Social media platforms and member interaction
- Audit by SAQA for Professional Body renewal

We will be focussed on:

- further Collaboration and partnerships with appropriate organisations to the benefit of members and the sector
- being Customer-centric and on excellence in all that we deliver
- Professionalism and teamwork
- Innovation and flexibility
- Relevance
- Commitment to transformation

In conclusion, I would again like to thank the Directors of the Institute for their dedication this past year. Without the support of a willing and committed team the IOB would not be where it is today

I also thank the staff of the Institute, Martie, Niekie and Juan who are driven by a desire to see the Institute succeed and to be able to assist members.

Finally, I thank you, the members for your support and for your attendance this evening. This is a members' organisation and we strive to serve members. As always, I welcome your comments, suggestions and ideas for the Institute. Those inputs will guide the Board to create programs and move in directions which will benefit you as a member.

I look forward to the next year and we will strive to be able to report back in a year's time having successfully achieved the goals we set for the Institute to grow and deliver value.