



Banking Overview

Economic Functions

It is difficult to think of living a life in any city without any transaction with banks. Although banks are familiar to most of us, the kind of services given to most individuals limit to retail banking. But the banks have a much wider function in keeping the modern society's economy running. The following are some major functions of banks.

- Issuing of money or bank notes
- Acting as collecting or paying agents
- Serving as mediating agents in money borrowing and lending
- Credit quality improvement
- Maturity transformation

New directions of growth

One of the directions of growth for Hong Kong's banking industry is spearheaded by the rise of affluent masses as a result of China's fast paced economic development. To cater for the increase in demand in banking services, the banking sector in Hong Kong sees an upsurge in bank related jobs in these banking areas:

- **Remittance services**

Services related to RMB remittance between Hong Kong and various regions of China are forecast to increase demanding individuals to work in this area of banking service.

- **Cross border wealth management**

As business and social ties between Hong Kong and China increase, issues of cross border wealth management will come up. Banks are likely to be the trusted intermediaries providing supporting services. Further, as result of this increase, ebanking services and other business and wealth management services across China and SARs will be intensified creating many IT and related posts.

- **New bank products services**

Many new bank products and services will also increase as a result of the widening of the frontier of cross border economic activities. Additional staff will be needed to learn, promote, and manage these products

- **New local branches**

The number of local bank branches will also increase because of an increase in cross border liaisons and cross border transactions. The new branches will act as service centers to support product launching and to provide information on the new products and services. There will be new placements for these centers.

- **Market segmentation**

Bank business merging with greater China will find opportunities in the many new market segments that were not previously accessible to banks in Hong Kong. Specialized bank products made to cater for the specific needs of each of these groups of customers will require additional services and thus demand new staff.

Talent search

To keep in pace with the restructuring and fast growing banking industry, one of the most pressing problems for banks in Hong Kong is to find and supply suitable personnel to support this developing part of Hong Kong's economy. As a timely response, the government has taken initiative to coordinate personnel search and training to meet rising staff demand in banks.

- **Qualifications Framework**

This is a initiative on the government's part to set new standards in training quality in the SAR. While this is a multifaceted initiative covering many different industries, it is most visible in the banking and financial sector and will be affecting banks and individuals who aspire to work in the banking industry.

- **Specification of Competency Standards (SCS)**

These standards have been designed to help to bring into line job seekers' aspirations and competence with the variety of career options in the economy. In banking, some of the standards help regulate competencies and aptitudes in individuals working in banks who provide service delivery, operations and support, compliance and risk management, product development and brand marketing, quality management, as well as sales and relationship management.

- **Talent development**

Recognizing one of the most valuable assets in any organization is people, banks nowadays are committed to developing young talents to keep up with its new directions in development. Banks in Hong Kong are now working together with the government and tertiary educational institutions to find talents and to offer training to those aspiring for a career in banking.

Types of Banking

- **Retail banking**

It is also known as consumer or personal banking. This area of banking deals directly with individuals and provides personal financial services including current and savings accounts, mortgages, insurance, credit cards, loans, pensions and investments.

- **Commercial/Corporate banking**

Commercial banking provides services to small, medium-sized, middle-market business; corporate banking, directed at large business entities.

- **Private banking**

This is a specialized form of banking provides wealth management services to high net worth individuals and families.

- **Investment banking**

It relates to activities of the financial markets. Closely related to investment banking is the Bank Treasury, a section of the bank which executes transactions on forex/ money market/ fixed income securities/ stocks/ derivatives and commodities, either on behalf of banks customers or proprietary transactions.

Other banking related jobs

Legal, Compliance, Internal Audit, Risk Management, IT, HR