

Practising purpose

FOUR PRACTITIONERS WHO TOOK PART IN THE WHOLESALE FINANCIAL MARKETS ROUND TABLE WORKING GROUP OUTLINE THE BENEFITS OF PURPOSE – AND EXPLORE WHETHER THERE ARE BARRIERS TO ACHIEVING IT

KARIM HAJI, HEAD OF FINANCIAL SERVICES, KPMG IN THE UK



The success of most organisations, and KPMG is no exception, is driven by its people. The key in motivating employees, from small to large businesses, is to ensure that everyone has belief in

what the company is trying to achieve. This is where purpose is important. Employees with a strong sense of purpose are able to take real pride in the work they do because they can see the measurable benefit both to their organisation and wider society.

For firms like KPMG, where people are spread across a diverse range of projects and teams, it's important that everyone sees the purpose in the work that we do. This is so that we can all appreciate the part we play in its successes. One of the biggest challenges in galvanising large numbers of people behind a shared purpose is how to communicate it

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effectively, and this is about balancing relatability with simplicity.

Having a mission statement allows for plain-speaking communication of a firm's purpose, but the stories and examples behind this are what brings this to life.

KPMG is celebrating its 150th year, and learning about the impactful work done over the years has united many of us behind the values that fundamentally built our firm, and the ones that still drive it today.



JAMES BARDRICK, UK CEO, CITI



At Citi, we have seen the benefits of instilling a culture that aligns with our mission to enable progress for our clients and the communities where we operate. It is at the heart of everything we do, and we will also continue to develop this culture through our increasing focus on ESG.

Purpose is the thread that draws together all of our aspirations for being the best for our clients: high levels of employee engagement; exceptional service and product delivery; responsible risk-taking; and exhibiting the technological and financial ingenuity to provide solutions that are simple, creative and reliable.

Now, more than ever, we need to align personal, societal and corporate purpose to unlock the potential of our franchise and give our people the sense of individual fulfilment they deserve, and therefore this purpose must resonate with our employees, clients and stakeholders.

However, as a global bank operating in nearly 100 countries, aligning under a clear and consistent purpose while sustaining the benefits from this diverse team is challenging, and it requires incredible, authentic and trusted leadership throughout the organisation.

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**DAVID GREEN, FORMER CENTRAL BANKER AND FINANCIAL REGULATOR,
AND ADVISER TO THE CHAIR OF RBS**

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Defining an organisation’s purpose is valuable in terms of delivering greater cohesion amongst staff”



There is general agreement that defining an organisation’s purpose is valuable in terms of delivering greater cohesion amongst staff and explaining a firm to its stakeholders.

Some activities are much easier to explain than others. There is a particular challenge in achieving understanding of what wholesale markets are, what they do and what they are for. The wholesale markets do not have an external, public face towards the ordinary citizen and often have little profile within a larger financial group. In consequence, there is need for a good deal of education, both externally and within firms.

This involves explaining the central role they play in making possible services that are ultimately delivered by others: enabling farmers to know what prices they will be able to sell at; householders to fix the rate on their mortgage; exporters and importers to fix the exchange rate at which they can buy and sell; pensioners to be sure about the income they will receive

as long as they live; and so on. In short, the wholesale markets touch all corners of the economy and all the members of the society they serve.

Another challenge is to dispel the public image that emerged from the 2007 to 2008 financial crisis of unregulated, buccaneering wholesale markets. In fact, there have been many reforms, driven by both the regulators and the market participants themselves. The individual and collective sector initiatives that, for example, increase transparency, address conflicts of interest, and emphasise good conduct, are purposeful acts in themselves from which our widest societal stakeholders benefit through increased market efficiency.

The creation of new market standards, as well as continuing professional education initiatives by institutes such as the CISI, have played a key role. All this means, however, that there is work to do to explain both within firms and to the wider public that for wholesale market activity there is indeed ‘purpose’ that can rightly be promoted and adopted.

SUSAN REVELL, DEPUTY CHAIR & GENERAL COUNSEL, EMEA, BNY MELLON



An organisation that puts clear, meaningful purpose at the centre of its operating model drives an alignment of strategy and culture to the benefit of all stakeholders in an efficient and effective manner. It translates

into a positive experience for clients, shareholders and regulators, and encourages employee engagement and performance. Purpose, people and responsible performance combine in a virtuous circle.

BNY Mellon recognises the fundamental importance of articulating organisational purpose in a way that links our 236-year history with our strategy and market positioning. Our purpose is to power individuals and institutions to succeed across the financial world. Our purpose reflects our values and beliefs. It guides how we conduct our business and acknowledges our stewardship role in the financial services ecosystem.

The main barriers to achieving purpose arise when the organisation’s stated purpose isn’t

understood or doesn’t resonate with employees at all levels of the organisation. Purpose, and the values and behaviours that underpin it, need to be embedded in the fibre of the organisation through consistent and continuous reinforcement.

At BNY Mellon, our EMEA Conduct and Culture champions contribute to a programme titled ‘Living our Purpose’, which focuses on how personal objectives and attributes contribute to delivering a purposeful organisation. ●

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