COO or CAO?

Defining the mandate and profile of the front-office business manager in the modern era

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Executive Summary

The evolving role of the COO, how its mandate is defined, tasks allocated and executed and its growing internal and external accountability is a subject of debate across the banking community.

Historically, the role was tied to the business and not necessarily the patron. The COO stayed while high profile leaders came and went, there was continuity for the business as leaders were anointed and then lost their crowns. For some COOs there remain those who prefer to be the power behind the throne than in the limelight – the consigliere if you will. For some the evolution of the COO has pushed them happily into the limelight.

However, the changing demands in the market have forced banks to look at this key resource, delivering a change in the mandate and empowerment of the COO. The need for enhanced communication, greater accountability, a continued demand for cost reduction and coordinating the control agenda have led most banks to centralise the business management function, be it within the business or into finance. This is no simple undertaking, as organisational, business, regional and personality nuances have left an industry with a single reference point for this role, being the title ‘COO’ itself.

The move and reasons to move to a centralised COO (business management) organisational structure is one many believe in, where it may appear in this article we gloss over the present and public debate regarding the important complexities of pay (or overpay) within banking, which is further complicated by matrix managerial structures and the sometimes unfathomable allocation of this reward. However, it is assumed (within the business management function) and taken as a given, that this overall cost issue can be resolved and savings realised for the shareholder, by preventing over staffing and overpayment of more administrative roles within the business management function (namely junior COO/BM/Support staff, roles that can easily be overpaid when paid from the front office compensation pool and/or should be headcount moved into the infrastructure). To this end this paper does not seek to interrogate the compensation agenda in detail, but refer to it in context to the question under consideration, being the evolution of the COO role itself.

However, there is also an additional argument regarding compensation worthy of note, supported not surprisingly by many COOs as follows:

Since Investment Banking as an industry has hit a plateau or shrunk given wallet size and reversal of the ability and appetite to generate new derivative products, the value-add of the various internal banking functions needs to change. Some would argue that junior and medium-experienced Front Office staff are joining well established global banks with existing backbones and existing customer bases and should no longer receive out-sized compensation relative to other industries. A comparison would be a junior lawyer joining a top 10 law firm, a trainee accountant at a top 4 firm or an associate at a leading consulting firm. All these industries compete for top talent and do not use compensation as primary recruitment tool; it is the distant future opportunity and a well-trodden path to seniority, partnership or other that entices the best of breed.
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Conversely, you could contend it is the COOs who are now adding real long term value (in banking) by creating and establishing new works flows which adopt to new regulations, but need to do so in a cost effective way. Some would state with confidence, the experienced and proven COO that gets this right for their firm is worth significantly more than a global asset franchise trading head with one-year-at-a-time client revenue generation as their mainstay.

Nevertheless, whether you are in a centralised or decentralised COO function, this matter will always be an emotional and personal one and not always linked to the benefit of the company you work.

Compensation has been married to control through the conduct agenda and stepping away from the reward agenda, you could argue the benefits of mobility and consistency outweigh the loss of management control, as there is no substance in the argument that a central COO function cannot retain a close business alignment when not owned by the business. Conversely this alignment importantly delivers a degree of objectivity and independence to the relationship. Regardless it is rare for the business manager to be drawn cross-product, but it is common for people to “think” cross-product which is probably good for the firm, but irritating to the business who wants to maintain a silo mentality. Some firms have both, a central team and a business team, where sometimes this works and sometimes not.

To contextualise the banking COO role, we can loosely compare the role to other industries. The aim is to show the banking industry has created a problem of individual empowerment and confusion through the dilution of the title ‘COO’. Almost without exception, most large corporates have a single COO and all know this role sits at the executive table and carries weight, but in most banks there are tens, hundreds of COOs, perhaps a throwback to the heady days of growth and profitability, a historic extension of the ego of the business heads and a representation of their own seniority as ‘I have a COO’, as opposed to the need to empower the role through its title. Some banks are addressing this, with ‘business manager’ or CAO replacing COO, but even here the COO continues to be used in general parlance and the corridors of investment banking as a title more warmly received by those in post.

Similarly the list of responsibilities outlined for a COO support this supposition, the migration of the title towards CAO, as many front office banking COO responsibilities would fall within a CFO role in most non-banking companies, for example:

- Work with the head of the business to set and drive product/divisional strategy - the COO (or Head of Strategy where one exists)
- Coordinate and drive the product business managers/COOs under management towards business objectives - the COO (being responsible for the execution of the strategy)
- The control, conduct and governance agenda (front to back) – the COO (or Chief Control Officer)
- Coordination of the support functions and management of the front to back business line and offering - the COO (a portfolio of work more aligned to a CAO)
- Report on and monitor the usage of Weighted Risk Assets and External Assets of the business, manage the “financial capital” of the firm – the CFO
- Review and manage the capital of all subsidiaries within the sphere of this business - the CFO
- Setting and managing the budgets for the business – the CFO
- Collective responsibility for capital management, including profit repatriation, capital hedging and the closure of dormant subsidiaries and legal entity restructuring to establish more efficient capital utilization and business management - the CFO
- Collective responsibility for driving effective capital management throughout the organization establishing guidelines and budgets with the business for balance sheet usage and monitor adherence to those guidelines and budgets - the CFO
- Managing transformation and change within the business and its support functions – the COO (CAO core tasking)
- Responsibility for staffing and talent management - HR

“In brighter times, the list above would have included developing new products, opening new markets, starting new businesses etc. These at the heart of any COO’s true responsibilities to drive revenues.”

“’The inter-relationship of the CEO and their COO is essential to the success of the business’”

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Now these more positive aspects have been replaced by setting up governance and control frameworks and responding to ongoing regulatory demands, pulling the COO into a CAO’s framework of tasks.

At any time you could review the weighting of the COO’s book of work and state he/she is now operating as a CAO or a de facto CFO. As this book of work is inevitably cyclical, being linked to the calendar year and/or based upon what demands are thrown at it externally by the market or internally by strategic or operational change, you could argue at any given point of the year, the COO wears a hat that could equally be worn by a CAO, CRO, CFO and so on.

In some cases where a matrix structure existed this lead to misinterpretation or noncompliance to the spirit of the operating model and to a lack of cohesiveness.

However, these early models did establish a pre-regulatory era precedent and demonstrated (and to a large part validated) the model and potential benefits that could be realised by such an organisational migration. In such cases the appointment of a global COO for Markets was a natural conclusion to the implementation of this management model.

Conversely, where banks had a non-integrated and/or de-centralised business management function, with the business owning this headcount, most banks had/have no appointed Markets, Global COO.

In this model, the Global Markets’ COO struggles to secure support, as no definable or obvious mandate of direct ownership exists in a decentralised alignment. More so, this was born in an era where the exact value of the front office COO was still finding a path and support for the role, a broad and bank wide understanding of its value and justification for its weighty compensation. In limited examples where such an appointment did exist, it was an appointment of influence, ambassadorial in nature, rather than possessing a quantifiable mandate which was accountable, quantifiable and had clear lines of

Alignment – Integrated or non-integrated; centralised or non-centralised

Almost without exception the principal wholesale banks (with a Markets focus) started this process with the centralisation of the business management function. Some banks had already had this operating model in place, but habitually within these banks, governance models had inconsistencies by product and by region and struggled to maximise the anticipated efficiencies from such a configuration. This perhaps compounded by the banking industry favouring the ‘healthy tension’ born from matrix management structures.
As this debate progressed, embedded COOs within the business fought \textit{(and at some banks are still fighting)} this change, seeing the centralisation of the business management function as a route that if followed, would dilute their independent mandate, reduce their influence and almost certainly lead to a reduction of their compensation.

COOs have outlined these concerns as follows:

A. “Where I would have enjoyed autonomy, working directly to and at the beck and call of my business head, I would now report up into business management function, ultimately to an executive COO of product (global COO fixed income or equities) or region (Markets’ COO Americas, Europe, MENA or Asia) or division (Markets). This change, I would argue, restricts my movement and ability to make decisions quickly. This alignment would thwart the effort to move the agenda forward unheeded for business units” (MD EMEA COO, Credit Products Sales and Trading, London).

B. “I believe strongly to be wholly directed and owned by the business allows the COO to dedicate 100% of their time to their business effort and tasks. Becoming part of a separate and centralised function, where you would service and support the business, you would invariably direct an increasing amount of your time to tasks that were cross product or division wide” (Director, COO Rates Trading, U.S.).

C. “There is a perception, a deep rooted concern, that individual compensation and especially the variable component, is better managed when allocated directly from the business, as opposed to a centralised bonus pool for the business management function as a whole. In the de-centralised model the COO’s pay is linked to the performance of the business line they support, where the only person that has an informed insight into the value their COO adds is the business head themselves” (MD, Global COO FX, London).

The issue that has arisen over time and is largely unrecognised when in discussion with this group of COOs, is the lack of mobility for their careers. Many find themselves in a career \textit{cul de sac}, being highly reliant on the patronage of their business sponsor and vulnerable if this sponsor moves role, be it internally or externally.

It is not unusual in the few banks that retain a de-centralised model to find COOs that have been in the same seat for many years and/or some whose career has mirrored the progress and success of their patron (business head) as they navigate their career upwards and take their reliable right hand man/woman with them at each step.

‘Riding the coat tails of success’ is one view, ‘an effective partnership that has realised success’ is the opposing argument.

What is missing in the above is the important consideration of the depth and seniority of the COO team. For example, a team consisting of a few graduates and an even distribution of head count through to Managing Director, would allow for and manufacture career management and promotion and mobility over time. Alternatively, a team weighted towards experience, namely VP through to Managing Director, which marries to the body of work better, has career and promotion challenges and problems. The latter leads to many asking the question ‘Where now for my career?’, as they wait for opportunities to unfold above them, within an aging and shrinking market manifesting itself in few and reducing opportunities.

A corporate view, one increasingly recognised by executive management and guided by in-business Human Resource partners, is that this lack of mobility is not good for the individual. Perhaps more importantly, this limits career opportunities for more junior business managers that find they are waiting for a promotion, prevented by an immovable glass ceiling of well-established management.

Indeed, even if these stalwart and embedded cornerstones of their respective businesses decided to move externally, many would find this difficult as longevity of service, being \textit{institutionalised} and having experience limited to one bank only is not a compelling offering for many senior hiring managers. Similarly, thwarting career progress for your rising and emerging talent, that have received significant investment [by their employer] in their development, risks this asset being taken by competitors seeking well practiced business managers in an era where this skill set at the more junior level is in high demand.
Additionally as the control and risk agenda is now resident at the top of the corporate agenda, it is also understood having reliance on one person, who knows the business inside out and has become a thread of the business’ DNA has a benefit, but also carries a risk attached to this deep rooted reliance.

It is an understanding and appreciation of the above and the benefits to be realised from integrating the business management function, which has led the majority of the market to move increasingly towards a fully integrated and centralised function delivering many advantages:

a. The necessity to meet the demands of the control and conduct agenda are better served when you can expedite this agenda through a business management function ultimately owned by one executive manager with the board mandate to drive this effort. This has invariably seen the appointment of a Markets’ or divisional wide control officer, charged with defining the operating model for the division and then working with the principal COOs (global COO fixed income or equities) to implement this strategy. They’re a peer organisationally, and almost without exception, previously a COO and/or business head, giving subject matter and weight to this appointment (see April 2014 article ‘Defining the indefinable, the evolution of the control officer’). A debate continues as to whether the control officer should sit alongside the COO at all levels (and thus give it a mandate or equality and independence of the COO) or report in to it. Presently the latter prevails; with the Global COO Markets retaining responsibility for the control and conduct agenda, whilst the business heads retain accountability for control itself.

b. The business management budget and associated costs are better managed when centralised, enabling the total loaded cost to be attributed, managed and quantified. Centralisation also enables cost efficiencies to be realised as, for example, transformation and change resources have greater visibility, where these resources can be allocated more efficiently to project demands division wide.

c. Compensation structures can be introduced division wide, enabling internal benchmarking (against other COOs and also senior infrastructure management roles) and external market comparisons. This depends heavily on senior management collaborating, enabling calibration of compensation across functional titles regardless of reporting lines or to what degree of centralisation has been achieved. It also allows the bank to reward business managers in line of their individual performance, weighted against their COO peers, as opposed to the performance of the business line. This allows the bank to move its business managers more readily from one product to another, not having to account for and deal with disparate and inconsistent rewards. It does not necessarily manifest itself as a reduction in reward (see below), but puts in place a framework where the business can manage this sizeable team more effectively.

d. Career mobility is enhanced in the centralised model, viewing the principal skill set to be business management and being product agnostic. The bank can create a function that has breadth and depth and reduces reliance on the individual, whilst conversely enhancing the individual’s commoditised value through diversifying their experience. Some would see this as a sliding scale i.e. junior COOs typically work on asset class specific issues regardless of structure. Senior COOs learn the sub-product of an asset class and are expected to apply principles broadly when designing solutions or problem solving.

What has come out of this organisational shift and the impact of regulatory change is a review of the role and its desired influence and mandate. Therefore the profile of the person that occupies the COO is changing in line with this evolutionary process. What a bank wants its COO community to do, and what they are mandated and accountable for, will now define the competencies of the COO. However, whilst most banks retain the title ‘COO’, when you investigate their responsibilities and how they are positioned at each bank, it is clear that two mandates are now in place and many COOs are in reality operating as CAOs.
The Chief Administration Officer

As outlined in the Executive Summary, this is an appointment focused on supporting and facilitating the business internally (see below), where managing the front to back and the control agenda are now the principal tasks of the CAO. There is an industry push to ensure that all reporting, previously resident on the business manager’s task and to do list, is as much as possible issued by an Infrastructure area now accountable for it: Finance for capital-Balance Sheet-P&L data etc.; HR for Headcount and so on. In reality the business manager will get these functions to deliver information and they will validate its quality with intimate knowledge of the failings from each function that need remedy.

On the other hand, the COO needs to run a fine line between facing off to the Infrastructure functions and owning and driving them. This is where the role falls between the COO and the CAO. Many COOs believe the shortcomings (of the infrastructure) are a distraction to achieving their main effort, but must be weary not ‘to shoot the messenger’. Just because, for example, finance may seem incapable of performing a computation properly (system limitation/timeframe etc.), the COO cannot point to failings only, or always take up the slack, or seek to remedy the issue in a structural manner. This, for many business managers, is the hardest part in their job: influencing the infrastructure function to improve itself for the “greater good”.

The COO must demand, influence and be accountable for running this improvement (but not its execution), while seeking to continuously identify the next value added element that will need to be improved in the same area or another one.

One consequence of the heavy hand of the regulator is to homogenise how divisions and businesses are run and how therefore the COO and their infrastructure partners have to work far more closely.

To simplify: the same reporting on approximately the same data is being produced in all the G20 banks. The emphasis will become stronger on conduct topics (a key topic which is becoming more prevalent), while it was bigger on RWA yesterday for EU banks (American banks still need to catch up on RWA topics as their regulator is reluctant to implement fully Basel 3).

This demands a greater level of cooperation front to back as the cost and accountability challenges are increasingly aligned to the business’ activity within the full life cycle and not just the point of sale or trade.

Where does this standardisation leave responsibilities in the context of the CAO?

1. Deliver cost reductions of a magnitude never seen before. If volatility in markets remains as such this will be essential for large platforms and vital for smaller ones (where cost of a ticket to print is maybe marginally higher).

2. Be the driver of the infrastructure on behalf of the business head. This is creating a Hegelian master-slave dialectic as it is the head of the business who is accountable vis a vis regulators and shareholders and yet they cannot afford to spend time on all topics AND also drive risk and revenues

3. Harness the Infrastructure to create relevant client/market intelligence to help drive risk-adjusted revenue.

"the industry’s CEOs and business heads own this evolutionary phase of individual company and industry wide change, but their COOs own its execution and share its accountability"
They must possess the qualities essential to promote a positive image, to be committed and passionate, energetic with an engaging manner and a strong communicator with executive presence.

The above is a summary of what embodies the mandate and profile of the majority of the COO roles and people in place within banking today (particularly within Wholesale Banking).

The Chief Operating Officer

Historically (outside Financial Services) many companies had operated without a COO. In 2007 and pre-Credit Crunch, more than 60 percent of Fortune 500 companies did not have a COO. Since the global recession, these percentages have increased significantly, as companies in and out of Financial Services see the advantage of having executive succession planning and shared executive accountability in place (to and with the CEO) and having top tier executive leadership overseeing all ‘operations’ aspects. In this case, the COO has to be of a calibre on and above the traditional operational COO, being one who carries the mantle of the de facto CEO and through their competency enables the CEO to focus more wholeheartedly on business strategy and the increasing burden of internal and external ambassadorial responsibilities.

In such instances, the COO will take on more responsibilities, or parts of the role traditionally assigned to the CEO, being reallocated to the COO or to the sub C-suite executives. With the recession and the consequent demands imposed by shareholders for enhanced control and risk management, not just banking has experienced a resurgence of the role of the COO, although within banking this evolution is closely wedded to the advent of what many call the regulatory era.

There are good reasons therefore to anticipate an increased utilization of the COO position in the future, moving its role from being a COO in title (but a CAO in reality) to a fully functioning c-suite and empowered partner to the CEO, a deputy CEO in all but title, with an executive mandate. Why is this?

Generally companies are becoming more global, larger and more complex, making it more difficult for one person alone to have total oversight over the whole organization

Companies are finding a strong relationship between firm performance and the presence of an executive COO charged with driving the business and not limited to supporting it

Companies are becoming more deliberate about CEO succession planning and could feasibly and justifiably use the COO role to on-board and train successors and/or develop identified rising talent to move from within the business into a COO role and back in to the business as part of his/her executive development [and building a bench of internal talent capable of managing the business in the future]

The increase in talent mobility means that the role will likely be used more often as a retention mechanism for key executives that are at risk for moving to a competitor

Regulatory change in banking is mostly driven by regional regulatory bodies, which demand a high level of regional and/or local executive ownership

Notably, the principles outlined and being considered are focused on the interaction and positioning of the CEO and the COO. Nevertheless, and uniquely within banking, where the COO title is awarded across many levels, regions and products, the spirit of these conclusions can be applied to and are relevant to the relationship between any business head and their COO at any level. Therefore, the principles of defining, selecting a COO and the COO mandate can be applied for discussion purposes at any rank, from local product COO or business manager at VP level, through to a regional COO at Director to Managing Director level, or global level COO as a seasoned Managing Director.

"The relationship between the Chief Executive Officer and the Chief Operating Officer in any (global non banking) organization is fraught with many psychological complexities. Perhaps it is the most difficult of all organizational working relationships because more than others, it is a balancing act on the threshold of power." (Harry Levinson)
However, this evolution carries its risks. The inter-relationship of the CEO [read ‘business head’] and their COO is essential to the success of the business and runs hand in hand with a fully integrated and centralised operating model. To be effective, it is a union between two strong and independent personalities, understanding they must work together in the interest of the business, its employees, its clients and investors. This heightened performance and accord can only be realised where self-interest has no foothold. Within most commercial sectors, this -effacing personality trait is a rare commodity, perhaps not so within Financial Services that has a reputation for carrying and tolerating those with a heightened opinion of their self-worth.

Therefore, the selection process and appointment of the COO will rely strongly on an analysis of their character, where the COO’s must marry well with the CEO or conversely the CEO with the COO. Between the two there must exist an understanding, an unstated sense of respect, even enjoyment of the relationship and their partnership. Together their strengths, the CEO and COO and their competencies must equal one and lines of difference must be lines of collaboration and not conflict. This qualitative assessment is central to the selection process. It works best when those known well to the CEO and who hold their ear, can advise candidly on COO candidate selection as to whether there exists the right chemistry between the candidates under consideration [and themselves] to make this critical relationship work. In this case the CEO may have to be sufficiently humble to have their own opinion on whom they feel should be hired overridden.

Why is this relationship so important? Any breakdown in trust between the CEO and COO can lead to failure. Additionally and as outlined, the COO typically has to be a very high level leader who is comfortable being fully in charge. Many executives with the leadership skills necessary to be a top-level COO would prefer to be running their own organization [or business line] as opposed to taking orders from a CEO and not directly contributing revenues. For COOs who are expecting to serve their time and be promoted to ‘a’ or ‘the’ top spot, their timelines for such a move can often be out of sync with the CEOs [or board level appointees], causing a breakdown in the relationship.

COOs can also find themselves trapped into being labelled an "operations" person or a “Number 2” as opposed to being seen as a strategic and top-level leader by the Board of Directors, which causes some executives to steer clear of the position.

More so, if banks follow this path, with the COO being an appointment that is the de facto deputy to the head of the business, it is a seismic shift and one that will require capital investment and an adjustment upwards in compensation. If you move revenue contributors into a non-direct revenue generating roles for an interim period, despite understanding this is part of their career development; few would be enthused by this move if annual compensation is significantly and negatively impacted.

The overall cost could also be a loss of revenues, as a business line loses its leader and it has to adjust accordingly, but the benefit in having a better skilled leadership team outweighing this investment.

“You can respect a technical leader at business level, that delivers revenues, but would you follow him or her, are you inspired by them?

There is a clear difference in securing promotion through the traditional ‘producer – manager’ model [through revenue contribution], as opposed to someone that secures promotion due to their inherent and proven leadership skills. The success of a COO in the future will rely on the traditional characteristics of leadership: impact and articulation; communication and direction; ambition; intellect; energy and inspiration; values; innovation; subordinate development; delegation and mobilisation, self awareness and empathy married to strength of character and conviction”
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It is a shift that will favour the brave, as they in turn embrace the shifting sands imposed upon them, a demand to change the future profile of leadership and make tomorrow’s executive leaders [within banking] more rounded, better equipped and possessing an in-depth understanding of: the business front to back; the control and conduct agenda; cost management and equally being able to define an innovative strategy; drive the business forward and remain competitive, all linked to the growing burden of intrusive executive accountability.

It is inevitable that the COO role and mandate will further evolve and change and as it does [where bank to bank variances will exist], the profile of those that aspire to hold its crown will change simultaneously. There will be those today that have never considered such a position as part of their career path that will face this decision in the future, where a move from a revenue creation to revenue support role would be an anathema. However, there will be those that understand to maximise the chances of long term career success, it is a move that would be prudent to take and it is one many banks will encourage a select few of its identified future leaders to do so, where regulators in time might well demand it.

However, not all will achieve success, accomplished as they may be in generating revenues and as consummate they may be from a technical perspective, as their ability to lead will be a fundamental requirement to being successful in this significantly changed, evolving and high profile role.

It will be similarly significant for any executive board to embrace this opportunity to take a bold and forward thinking step, in recognising the COO role for it has become in the modern era. In doing so, who should be appointed a COO [at all levels] and how you can establish a broad and deep talent pool of well-rounded and appropriately trained and educated leaders to take the business forward in the next generation will become increasingly important and within this context, the COO role itself will come under more intense scrutiny.

A braver step still would be to appoint business heads that conversely do not come from a revenue generating background, perhaps having come up through the business management function itself. The head of the business after all does not have to be the highest earner in his business, but be capable of managing it effectively to meet and exceed its annual and mid to long term objectives, of which the key one is total revenues. One can almost hear the “tut tut, nonsense” dismissals of business heads at this suggestion, but what irrefutable reason is there that a business head, with outstanding management and leadership skills and a technical understanding of the business born from within the business management function, could not lead a business (and its sales and trading team)?

What of these characteristics? What is really needed today to be an effective COO in the modern world, above the traditional qualities outlined above? Certainly an effective EQ (and PQ for that matter) is the new skill that is required. “It’s harder to abuse someone and tell them to do it or they are sacked” one global COO stated “That works on occasion, but in order to land cultural change it needs a different style. This is polarizing the population as it’s simply a harder thing to teach and do. It’s a generational matter, where some will embrace this challenge and some will simply be unwilling or incapable of doing so”.
As a closing point of contention: what appears to be missing within the COO community as a whole is physiological resilience. Many have only known good times, organically created their own world, had limited people to answer to and got paid handsomely, although notably and often this was absolutely the right thing to do, as there were/are a lot of very capable and driven people within this community, doing great things, but even in 2008, they were penalised only on compensation, as there was no real re-calibration of the function or right sizing at this time. This is now occurring with centralisation and change within the COO role being common place, with some now reflecting on the demands of the role in a more pressurised period aligned to flat to reducing financial reward, making the role one for the brave and for those possessing physiological resilience.

This industry change is not for the faint hearted and it needs robust and yet charismatic leaders to execute the changes that are clearly (perhaps desperately) required. Charisma is needed to take the business management community and indeed the industry as a whole through trying and ever demanding times of uncertainty, greater accountability and reduced compensation and career opportunity.

You cannot look at the changing business management and COO function without looking at the changing skills and personality required from leaders of the banking industry. It has often been the case that the best revenue generating individuals got promoted to desk and business heads in order to allow them to get paid, not on their managerial skills. This is changing and naturally impacts and is in step with the change in the COO mandate and role. The COO is at the forefront of this change, where they will continue to encompass and capture the roles of the CAO, CFO, CRO and Chief Control Officer in part or as a whole within their mandate. Of course the industry’s CEOs and business heads own this evolutionary phase of individual company and industry wide change, but their COOs own its execution and share its accountability.

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