Smashing Banking Boundaries and Building Tech Bridges in Europe

By **Eleanor Hill**, Editor

From answering a Barclays recruitment advert in a music magazine some 30 years ago, Helen Kelly's successful career with the bank has now seen her appointed as Managing Director, Head of Europe for Barclays Corporate Banking. Here she reflects on her professional journey thus far and explores some of the key challenges facing European treasurers today.

Eleanor Hill, Editor, TMI (EH): Congratulations on your new role. How has your career progressed to this point, and what attracted you to this position?

Helen Kelly (HK): Thank you. Believe it or not, I've been with Barclays for more than 30 years now. It all started when I was 18 and replied to a Barclays recruitment advert on the back of *Smash Hits* magazine. So, with the job lined up I travelled from a small town in Northern Ireland to the fabulously diverse city of London, which was fantastic on both a personal and professional level.

After joining, I swiftly moved into large corporate banking and client coverage roles, and I particularly enjoyed working with multinationals on their cross-border banking needs. My move to Ireland came in 2004, when I was asked to build our Corporate Banking franchise in Dublin. The business had been in Ireland for around 35 years at that point, mainly focused on large Irish corporates, but with the huge influx of foreign direct investment into Ireland there was the opportunity to build out our capability to target multinationals.

That growth strategy is nicely mirrored in what we're now doing within Europe today. I joined the European Corporate Banking leadership team in 2017, and we're

investing heavily in new capabilities for clients operating in European geographies. At the same time, we are building stronger, deeper relationships with clients – and this opportunity for mutual growth is incredibly exciting.

***EH:* Tell me a little bit about the bank's European history. And what about your goals for the next 12 months – where is Barclays Corporate Banking within Europe heading?**

HK: The Barclays group has a long-standing heritage in Europe. We've been in France, for example, for 100 years. Europe has also been an area of focus for us many years, in particular in the corporate space. The advent of Brexit provided an opportunity to reaffirm and build on our commitment to Europe by founding a European bank, headquartered in Dublin, to ensure that we are well placed to support European corporates on the ground. We will continue to invest in this European network in the months and years ahead.

A central pillar of this investment is the roll-out of our new corporate banking platform, which covers nine European Corporate Banking countries in a single interface – and we are looking at further expanding this reach. Our clients currently benefit from the same experience in each country via our simplified European platform.

***EH:* What are some of the challenges that corporates are facing in Europe as the pandemic rumbles on? How are banks supporting them through these tough times?**

HK: Let's take a look back at 2020 to set the scene. There were three main macro challenges treasurers faced. Obviously, when Covid-19 was first declared a 'pandemic' we saw a global liquidity crunch, there was significant FX [foreign exchange] market volatility, and numerous central banks decided to cut interest rates.

The low interest rate environment presented an opportunity and a threat, depending on a company's capital structure. As we head into the second half of 2021, interest rates remain low, but inflation has become more topical and will remain very important and appropriate hedging will be vital.

Corporates, like governments, are also working hard to 'build back' from the pandemic – and they want to achieve this in a sustainable way. So, environmental, social and governance [ESG] initiatives are proving popular and banks are innovating in this space.

Another trend is that business models have had to evolve as a consequence of both the pandemic and growth of digital channels. We have seen lots of traditional business-to-business organisations exploring e-commerce and direct-to-consumer (D2C) sales, for example. In turn, this is incentivising treasurers to be more involved in discussions around payment and collection instruments.

***EH:* Tell me more about corporates' ESG expectations. How has the discussion moved on in the past 12 months, for example?**

HK: As we all know, ESG has been topical for a while; what's changed since early 2020, however, is that sustainable business is now a board-level imperative. Another interesting trend is the broadening of the ESG conversation beyond the typical 'E' talk towards the social and governance aspects.

Across Europe, treasurers are looking to their banking partners to

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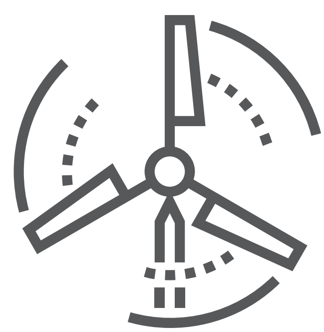

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provide sustainable cash and liquidity management solutions. As a bank, we have responded with a range of innovations – from green bonds to sustainable trade finance solutions. As well as creating exciting financing solutions to support clients on their sustainability journeys, we also continue to raise awareness of emerging ESG challenges and opportunities, while upskilling our own staff to enable them to think outside the box on ESG. After all, ESG in financial services is about so much more than financing solar or wind farms!

***EH:* Absolutely. I wanted to come back to the digital tools topic we touched on earlier. With remote working during the pandemic, treasurers have quickly adopted a certain level of digitisation. But do you think there is scope to go a little bit further here?**

HK: Remote working has flagged that many corporate workflows function better without paper processes. Digitisation and automation have become king and tools such as digital signatures are making remote work easier and more efficient. As a knock-on effect of global lockdowns, tools such as application programming interfaces [APIs], robotic process automation [RPA], and artificial intelligence [AI] have also come into their own in the corporate treasury sphere. Innovative corporates are applying these technologies, often in combination, to solve problems and to make processes more efficient. Relying on spreadsheets really doesn't cut it these days! This is especially true in the world of transactional FX, which is often manual. By leaving spreadsheets behind, treasurers can manage exposures in multiple currencies on a fully automated basis – eliminating the risk of manual errors and freeing up the team for more strategic tasks.

These smart technologies have the potential to unlock massive efficiencies for treasurers. I've never met a treasury team that doesn't have a large number of projects on their desk, and you could never accuse treasury functions of being overstaffed. But so many of these projects are ideal candidates to be automated with RPA or AI. Further digitalisation is very much the future. There are always processes that can be optimised.

Real-time cash visibility is also swiftly becoming a treasury fundamental. With the right technology set up and bank functionalities, the real-time environment can enable instant tracking and tracing of payments and, in turn, can enhance the accuracy of cash forecasting, for example.

***EH:* How is Barclays investing in its own tech capabilities?**

HK: On the cash management side, we're currently implementing SEPA Instant Credit Transfer [SCT Inst], and within that we will have some exciting API capabilities. For example, until now our clients have been interacting with us through a File Gateway, but this is also now being replaced with APIs – to enable seamless, real-time connectivity.

Looking at our tech capabilities more broadly, we also announced a few months ago that we're moving to the CGI Trade360 platform. This is all about delivering cloud-based functionality for our trade clients, providing greater visibility over corporate supply chains. The cloud has become far more important for clients as a result of remote working, which is really exciting when combined with the fact that we have an established network of trade experts right across Europe in corporate banking – those two things go hand in hand.

Finally, and perhaps most importantly, we are focusing on protecting clients against banking fraud and cybercrime. We are consistently investing in our own systems, but we also regularly run cybersecurity training sessions for our clients – helping them to stay abreast of the latest threats.

***EH:* Finally, how can treasurers make the most of all this technology that is now available to them?**

HK: With the increased importance of data and digital models, treasury teams must evolve in order to use the technology, and more importantly, the data, to its full extent. As well as bringing in the right tools – whether through their banks, vendors, or internal IT departments - treasurers also need to upskill their human capital in order to enable proper interpretation of data and the ability to produce actionable insights. On top of this, continually educating your people is never a bad idea – it challenges them and enables them to uncover insights into new growth and efficiency opportunities, which in turn feed back into the wider business. ■

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