



FINANCIAL LITERACY FOR YOUTHS



Journalism Article – Mr Amran Hassan

by Tan Wei Khang



From Golfie to Techie:

Maybank's Head of Innovation talks FinTech, Start-Ups, and *Pisang Goreng*



Born and raised in the capital of Malaysia, Mr Amran Hassan spent his formative years at the Methodist Boys' School before eventually matriculating at Imperial College London to pursue an undergraduate degree in Chemical Engineering. In mid-April, Financial Literacy for Youths: Malaysia had the opportunity to sit down with the man himself and he started the interview by lamenting on how the choice to study Chemical Engineering was not much of a choice at all, given that his family had almost entirely consisted of engineers. *"The only choice was what type of engineering to study,"* he joked. Despite following in his father and brother's footsteps, he soon realised that engineering was not his thing.

His interest had always been technology, and programming was something he always enjoyed. Therefore, approaching Anderson Consulting (now Accenture) at a career fair, he saw an alternative to being an engineer and joined them instead. For the next 15 years, he worked in both the UK and Malaysia, explored the various

industries that his firm served, experienced the firm's transformation to the Accenture we now know, and rose from an analyst to a partner.

A fellow partner eventually left for Maybank and asked Mr Amran to join him, which was exactly what he did. This was way back in 2012 when he started off in Maybank as its Head of Corporate Development, a role which he described as being in charge of 'projects which were exploratory and long-term in nature'.

A year after he joined Maybank, the wave of innovation was hitting almost all industries. *"The telcos were getting hammered by a very different business model. Voice revenues were down and SMS revenues were completely obliterated – all because everyone was getting on data lines."* To him, this was a defining moment as it made the public aware of how the internet was changing the way the game was played. The increase in access also impacted the retail industry. *"Word on the streets was that all your high-street shops were going to be closed, because everyone was going to be buying online."* Knowing that it was just a matter of time before financial services got hit too, Mr Amran set up an Innovation department in Maybank to ensure that Maybank stays ahead of the competition in light of all the disruptions happening in the industry. Maybank was already an innovative bank, but he wanted to help push the bank's innovations further. Since then, he has led his brainchild to increasingly greater heights as the Head of Innovation.

The Innovation department sits within the CEO's office, but his team works from the Maybank Innovation Centre in the Etiqa Twins. Besides acknowledging that the environment where they worked was paramount, he stated, *"It's important to realise that we cannot have some lab sitting quietly by itself, not being relevant to customers or the business."* To this end, Mr Amran and his team would constantly travel back to headquarters and talk to the other businesses within Maybank to better understand and address challenges and opportunities. *"Meeting with the businesses is half of the thing that I do; Meeting with the customers is the other half."* He reminded us to never be in our own cocoon. *"You might think that the customers want something, or are having certain problems, but only when you speak to them in depth do you truly understand their needs."*



Mr Amran had learnt many a thing from Imperial College London, a tertiary education institution renowned for its entrepreneurial spirit and innovative charm. The South Kensington institution had undoubtedly played a key role in shaping the man who sat before us on that fine Friday morning. We asked him for the one thing he learnt in university that he still uses in his work and, after a short pause, he replied *“Realising that you don’t know anything and that you need to keep learning.”* Being in constant contact with some of the world’s brightest young minds pursuing various fields of science and technology, he became acutely aware of just how much knowledge there was out there. He recalled that when he joined Anderson Consulting, he had to ditch the technical parts of chemical engineering to look at technology and business. Fortunately, university had taught him how to learn. He reminded us again that whenever we face something new, we should tell ourselves *“Okay, this is something new, don’t be afraid of it, embrace it!”* He also advised us to strive to move up through the four stages of the Conscious Competence Learning Matrix – advice formerly given to him by Maybank’s previous Chairman, Datuk Megat, to whom he remains grateful. Starting out from unconscious incompetence, we must become aware of what we do not know to achieve conscious incompetence. After working on our weaknesses, we achieve conscious competence, and once we are so good at something that we no longer have to think about it, we reach the final stage – unconscious competence. *“The first stage (unconscious incompetence) is the worst, because we don’t even know what to ask.”* Like most things in life, self-awareness is the first step.

Mr Amran believes that work-life balance is a myth. *“The real question is what makes you happy and what fulfils you. If you’re passionate about doing something, then spending 12 hours at the office is the balance. Mindset is what really drives that work-life balance. Have I struck that balance? I think so. My kids still know who I am,”* he said with a laugh.

On common mistakes he sees people make, Mr Amran believes ‘not listening enough’ takes centre stage. He opined that because of the desire to portray a certain image, we spend too much time thinking about what to say next about ourselves. He agrees that it is okay to look the fool sometimes as we can only get better by listening. To Mr Amran, there is no such thing as a stupid question. *“So what if they think you’re stupid? Coming out from a session, you just gained more knowledge. When*

you leave the discussion, you're perhaps not meeting the other person again anyway." The key takeaway? Kick aside one's own ego and just learn, knowing that every new interaction with someone is an opportunity to seek new knowledge or validate existing ones. Nonetheless, he acknowledges that there is a time to listen and a time to apply. When someone asks you for advice, that is when you should apply and share your knowledge.

His advice for hopefuls intending to enter the same industry? *Listen, and be known for something. "No matter the industry, you need to be known for something. Don't spread yourself out too thinly. The only way you can stand out in an organisation is when someone remembers your name and associates that with something."* He joked that earlier in his Accenture career, he used to be known for golf, before eventually becoming known as the technology guy. *"Focus on something and hopefully, at one point, you'll focus on something you enjoy."*

Maybank has a long history of innovation, being the first bank to introduce ATMs, adopt computer systems in branches, and launch an online banking platform. *"It's almost as if we have a responsibility to innovate because of our standing in Malaysia."* Mr Amran believes that Maybank, being the country's largest bank, has a responsibility to push for better customer service. The bank fulfils its obligation by consistently providing better service, integrating itself into the community, and improving the customer experience. Indeed, such innovation is also key to Maybank's survival and ability to remain the market leader.

A recent trend that has piqued Mr Amran's interest is the evolution of the smart watch. *"Smartphones now have a seventy percent penetration rate in Malaysia. The smartwatch is in the middle of that journey and could go either way: the path of the smartphone where almost everyone has one, or the path of the 3D or curved TV where it was just a fad."* He went on to say that sometimes technology is a solution looking for a problem. The smartwatch is at the tipping point right now and the question that everyone should be asking is: Do we really need it? *"Maybe not right now, but [the smartwatch] might be a precursor to something greater."* Mr Amran likes how the future of the smartwatch is still an unknown and he looks forward to seeing it evolve over time.



According to Mr Amran, the most challenging aspect of his job is striking a balance between introducing exciting technology and managing risk – a task that is much more complex than it sounds. *“At the heart of it, we are dealing with other people’s money. If you check your balance and you find that it is 10 cents less than it should be, it’s a problem.”* While he wants to push the customer experience as far as possible and maximize their convenience, he is also aware of the need for security and protection of customer’s money.

For Mr Amran, the proudest achievement of his career is being able to contribute back to society. He values the cache of knowledge that he has built up over the years, as this has allowed him to share his understanding with FLY, start-ups, and his clients back when he was still in Accenture.

Nonetheless, he is not a fan of the industry’s slow pace of change when evolving technology and changing customer behaviour requires him to constantly be on his toes. While this is a challenge by itself, he also faces a lot of dependencies and bottlenecks that hinder the implementations of required changes. Despite this, he concedes that sometimes, the hindrance is not a bad thing. He recognizes that governance – the requirement of approvals at certain levels before execution – safeguards the various stakeholders. *“For example, business relevance has to be considered; security has to be looked at; performance has to be evaluated. It’s a pain to go through, but it’s necessary.”*

Mr Amran believes that we are living in exciting times. Hackathons, for example, is something completely new to banks and is an interesting model to work with. He loves how it helps in getting ideas ready quickly and in getting processes up in iterative ways. *“Even so, we cannot lose the discipline in making sure that there is an output at the end of it. We must still deliver at the deadline.”*

He also likes the fact that start-ups provide more openness for youths to be entrepreneurial. Back when he started work two decades ago, Mr Amran recalls that ninety-nine percent would go and seek employment. Only the remaining one percent would go set something up themselves. *“Now this number has increased significantly. We used to have 100 start-up companies and maybe 3 or 4 succeeding.”*

Today, we have 1000 start-up companies. The rate of failure is still the same, but at least the base is a lot more, so more will be successful.”

Mr Amran continued by offering another piece of advice: *“If you’re going to graduate and want to do businesses of your own, get a job first!”* Using the MBA as an analogy, he claimed that we need to work first, else we cannot relate to the theory that is taught. Like MBA candidates, entrepreneurs need to have worked for a couple of years to understand the nuances of running a business, and to better identify customer’s problems. *“It doesn’t even have to be a big company, as long as the structure is there.”*

According to Mr Amran, the challenge to Malaysia’s dominance in Islamic Finance comes primarily from the Middle East and UK. He reasoned that it ultimately boils down to talent. *“We have a good pool of Islamic Finance talent in Malaysia because of the lead that we have, but if we don’t grow that talent pool or if we lose that pool to other places, those places will have the lead.”* He notes that there is a growing pool of talent in the UK, Europe, and Middle East. *“[The UK and Europe in general] possess a higher perceived sense of advancement. Talent wants to go there. They also have a geographical advantage, being closer to the Middle East.”* He does not see technology as a factor or an advantage in this as anything that our competitors come up with, we can easily do the same. The reverse is also true for any innovation that Malaysia introduces. Like most other industries, talent will be the key driver for prosperity, and ultimately, we must fall back to our education system to grow talent.

The term cryptocurrency was eventually brought up, and Mr Amran explained that Bitcoin and Blockchain are both big experiments on a new technology and concept. *“As a currency, Bitcoins, and its other equivalents, are currently still niche, as they are only used by interest groups and early adopters.”* He, however, painted a brighter future for the usage of Blockchain technology beyond cryptocurrency. *“It’s a platform that builds trust and spreads out the trust. So Blockchain, when used as contracts, for example, has huge potential.”* Mr Amran believes that it can eventually permeates across finance, retail, real estate, and many other industries.

From the standpoint of electronic payment, cash and credit cards are still the main modes of payment today, given that they are accepted almost everywhere. *“Until*

*other modes of payment get to that level of availability, they will never be the third option.” Will it go down that path? Very likely, given that in China, everyone is already paying with WeChat and Alipay. For electronic payment to truly become a third payment option, we must be able to use it all the time. He provided us with the example of a *pisang goreng* (banana fritters) seller who cannot accept electronic payment because he is unable to pay his suppliers with it. The suppliers, in turn, cannot pay their employees electronically either. Therefore, the crucial step is making everyone accept electronic payments. “*The challenge is on the merchant’s side, not the consumer. I think the consumers are more than ready to pay electronically with their mobile phones.*” WeChat and Alipay work because almost everyone in the supply chain in China accepts it. Undoubtedly, the discounts given by merchants in China for using electronic payment provides further incentive to use them.*

As one of the nation’s foremost experts on the FinTech industry, Mr Amran thinks that the rise of FinTech is great. “*There are two categories of FinTech companies. Those who work with the banks and established institutions and those who do not.*” The former focuses on customer experience, and helps banks to meet customer needs when banks are too busy with other aspects of their business. They can spot the trends and sell their ideas to the bank. “*They help banks become more efficient too.*”

The latter, however, is disruptive for banking. An example of these are peer-to-peer companies that allow parties to raise funds without a bank being involved. “*When you apply for loans with banks, they take weeks to even months to approve it. Alibaba takes within three days to process applications and one day for disbursement.*” He believes that this can also be great as it makes banks wake up to the fact that they need to improve their services. “*Banks need to step up and look at new ways of banking, see what customers really want and change accordingly.*”

We continued by asking Mr Amran regarding PSD2, a legislation recently passed by the EU that forces banks to allow third parties, such as FinTech companies, to access data of customers who authorise it. “*As an example, before PSD2, if we want to transfer money to another party, we have to go through the bank’s platform personally. But with PSD2, we can access our account details through third parties and authorise those third parties to draw money from our account through the use*



of APIs.” PSD2 has allowed consumers like us to connect to each other directly, effectively cutting out the middle-man (banks). “The risk to banks is that if you’re talking to the third party daily, you’re no longer dealing with the bank, and banks have lost that opportunity to say: ‘Hey, I have this brand new service, this brand new card!’ I’ve lost that customer relationship.”

PSD2 nonetheless presents immense opportunities for integrated tech companies to become trusted partners for customers. By aggregating, consolidating, and centralising services from multiple banks into one platform, they allow customers to compare rates and terms of various banks, and ultimately even allow them to offer customers the best possible mix of services. *“From a customer experience standpoint, it’s great. From a bank’s standpoint, it’s less so, because I lose that valuable one-to-one relationship.”*

With all the news about the rising cost of living, we asked for Mr Amran’s thoughts regarding the prospects for millennials like us to safely own a house and pay off our loans by the time we reach our mid-30s. *“I can’t say if it’s going to get better or worse, I’m not an economist,”* he chuckled. *“But what I can say is that there are a lot of questions now about the concept of ownership. Do you really need to own a car? Or do you only want the service out of it?”* He maintained that if we want the service, we can make do with just Uber or GrabCar. *“If we only want the service, ‘can I own a car?’ is not a relevant question anymore.”*

However, he conceded that sometimes we do want the asset, be it to invest in or to have a place to call our own. In this case, it depends on whether we get a good job or run a successful business. *“What is true is that the cost of housing has gone up. It’s more challenging now. You see a lot of people living with their parents a lot longer. Anecdotally, you always hear about our fathers owning a house by the time they are 30. Today, you have to save up until mid-30s before you can buy an equivalent property.”* Indeed, we can always find more affordable forms of housing, we just have to look further out or live in smaller houses, as is the case in Tokyo or Hong Kong. *“If you want a house, you’ll just have to live in Seremban,”* he said with a cheeky smile.



We ended the interview by asking him about his ideal ASEAN financial market. *“One which provides employment and economic growth to their countries.”* He also held that there must be good balanced trade with neighbours to perpetuate the growth and that there must be stability in the currency. Indeed, one of the challenges towards growth is the stability of the currency. *“We don’t know what a contract today will be worth six months from now.”* If the currency devalues, it is beneficial for exports today, but once it goes up, it will have severe repercussions for domestic exporters. *“We can’t know if it’s one or the other, and we cannot plan for it.”* This might ultimately influence businesses’ willingness to engage in trade. He agreed that trade barriers should be lowered, but acknowledged that we must take national interests into account. *“If you are among countries who are net producers, you are essentially competing with each other. If you are in a group of countries, some of which are net producers, some net consumers, there is a certain balance to that.”* Alas, ASEAN has more producers than consumers.