Ambitious strategic goals and a changing banking environment: Matthias Oberholzer, Global Head of Human Resources at LGT, talks about the responsibilities of Human Resources, the challenges it faces, and how LGT has succeeded in becoming a top employer.

*Matthias Oberholzer, LGT receives praise from third parties such as the ‹Great Place to Work› organization for its special corporate culture. What sets it apart from other companies?*

I came to LGT from one of the big banks, which operates quite differently from a family-run company in many respects. In order to familiarize me with LGT, I started analyzing its corporate culture in more detail right after joining. To do this, I conducted over 100 interviews with employees and people at all management levels.
I discovered that interaction across all units and levels is based on partnership, that people’s relationships range from collegial to friendly and that there is a great willingness to work together constructively. People want to make things happen together – despite the enormous growth and the challenges that such a dynamic environment brings with it.

*What are the biggest challenges you face?*

The biggest issue and the one that we will be dealing with in the long term is the shortage of talent. It’s becoming increasingly difficult to attract good talent. This is exacerbated by the fact that the financial sector is no longer as attractive as it used to be when banks were still among the most popular employers.

The second big issue is the transformation in terms of the way people work. Employees increasingly want more flexibility, such as being able to work remotely or do part-time work. This applies to all functions and areas, from marketing, business and compliance to IT.

The challenge is to develop hybrid working models that reconcile these expectations, the needs of the company and the sometimes stringent regulatory requirements in a way that promotes a culture of partnership. Digitalization is another challenge that we face in HR.

Many jobs and the way we work are changing because of digitalization. The agile way of working is becoming more and more important and is increasingly leading to project work, meaning that employees no longer work for just one line manager, but for several.

We must therefore not only ensure that they have the corresponding skills, but also support the ensuing cultural change.

*What is LGT doing in this regard?*

In order to find out what we need to do to ensure our future success, we set up a company-wide working group with members from all our subsidiaries and different units. In a first step, they analyzed how our corporate culture is viewed and experienced throughout the Group.

In a second step, it determined how our strong corporate culture can help us in the future and be expanded to achieve our strategic goals.

*What measures can be taken to that end?*
Possible starting points include working on our feedback culture and empowering our employees. Agile working methods or the Kickbox program foster innovation and give our employees opportunities to participate and have a hand in shaping their environment – they are a good example of one avenue that can be taken.

Training our managers in this regard is also important. Together with the Liechtenstein Academy, we have developed two new leadership programs. They prepare team leaders for their step into middle management and middle managers for their continued path as leaders.

These programs integrate cultural aspects and the influence thereof on our understanding of leadership, thus optimally preparing our managers for the future.

The work of the HR department has changed dramatically in recent decades. It used to be responsible for paying employee salaries – today it also organizes complimentary fruit, sports and well-being offerings and courses to raise awareness for matters such as diversity and inclusion. What are HR’s most important responsibilities?

Firstly, we handle all the things that simply have to work: salary, pension fund, insurance. But that’s not how a company differentiates itself from others, that’s not how you motivate employees to put their heart and soul into their job and the company. Today, employees demand more than just a commensurate salary.

The corporate culture is important to them and they want to identify with the company’s purpose. And of course, they also want interesting responsibilities and good prospects for further development. And last but not least, sustainability and diversity are topics that are important to employees, topics that are being discussed in society and that also influence how we collaborate and deal with each other.

We need and want to have discussions about such topics within the company, and we provide opportunities for that.

Can it sometimes be a lot all at once?

Yes, there is a risk of that.

Human Resources works in the interests of both employees and management. How do you deal with any conflicts that could arise from that?
There are situations where interests could potentially be conflicting – a person’s salary level, for example, or the conversion rate of the pension fund, or when addressing the question of whether more employees are needed in a department. In such cases, we have to find the right balance together.

In most cases, however, the interests are aligned. In the service industry, employees are the most important contributors to a company’s success. Measures that support the well-being of employees have a positive effect on motivation and at the same time improve the quality of customer service.

Management, therefore, has just as much interest in ensuring that employees feel valued and supported.