A Customer-Centered Global Bank

An Interview with Tong Yu,
Executive Vice President and Chief Operating Officer, Bank of China USA

EDITORS' NOTE *Tong Yu joined the Bank of China in 1984. She has been engaged in the IT field of banking for more than 30 years. Since 2004, Yu has taken various leadership positions for the Bank of China Group. She held the positions of Deputy General Manager of Software Development Center, Deputy General Manager of Bank of China New York Branch and General Manager of Bank of China America Data Center. During this time, she led and implemented the IT systems replacement and upgrade for the branches in the Americas, including the United States, Canada, Panama, Cayman, and Brazil. In 2008, she was promoted to General Manager of the IT Department for Bank of China's Head Office and played a critical role in successfully implementing a worldwide IT systems centralization and transformation for Bank of China. Her contributions led to her receiving the "Special State Grant" by China's State Council. In April 2015, Yu transferred to Bank of China U.S.A. and assumed the position of Executive Vice President in charge of personal banking, e-commerce business, data governance, and information technology. She serves as Chair of the Bank's IT Committee. She also served until recently as a board adviser to IBM. Yu holds both a bachelor's and a master's degree in electrical and information engineering.*

Tong Yu

COMPANY BRIEF *As China's most globalized and integrated bank, Bank of China (boc.cn/en) has a well-established global service network with institutions set up across the Chinese mainland as well as in almost 60 countries and regions. It has established an integrated service platform based on the pillars of its corporate banking, personal banking, financial markets and other commercial banking business, which covers investment banking, direct investment, securities, insurance, funds, aircraft leasing and other areas, thus providing its customers with a comprehensive range of financial services. Bank of China USA (bankofchina.com/us/en) has branches in Manhattan, Chicago and Los Angeles.*

Will you provide an overview of your role at Bank of China USA and your main areas of focus at the bank?

I have been working at Bank of China (BOC) for more than 30 years, initially in the Head Office in Beijing, where I became global head of IT and COO of BOC's Software Development Center, and more recently based in New York as Executive Vice President of BOC U.S.A. and General Manager of BOC's America Data Center.

During this time, I have overseen a significant technological shift not only at the bank, but also in the financial services sector more broadly. One of my first tasks in Beijing was to spearhead the bank's IT agenda to integrate global IT systems and centralize data management. This laid the groundwork for transforming BOC into a customer-centered global bank, with a new generation of internet-enabled technologies, including mobile payments, cloud computing and social media.

We continue to innovate and adapt to the changing needs of our customers in an era of evolving mobile connectivity, while also meeting the challenges that Internet finance presents to commercial banks. I also led a task force to develop Bank of China's strategic plans on smart banking and digitalization. Since I joined BOC U.S.A, I have overseen our IT governance, small-medium enterprise (SME) financing and personal banking business. In each, I have used cutting-edge technologies, including Artificial Intelligence, to improve our financial services offerings, drive business innovation and build an ecosystem for cross-border e-commerce payments and financing, as well as strengthen our compliance and risk management functions.

Will you talk about Bank of China's presence in the U.S. market?

Bank of China is widely-known as a Global Fortune 500 company, a Global Systemically Important Bank (G-SIB) and an esteemed financial institution with more than a century of history. Our long-term outlook, institutional weight and global breadth provide our clients with a stable and reliable financial partner. As the fourth largest bank in the world with $3.1 trillion in assets and over 300,000 employees, our clients know we are a partner that can be relied on for the long haul and a safe harbor with the financial strength to meet future challenges. BOC became the first Chinese bank to establish operations in the U.S. market in 1936 and today we partner with leading U.S. companies to support their domestic and global business objectives.

BOC U.S.A. has total assets of over $50 billion, is ranked 22nd among foreign banks in the U.S. by assets, and 50th overall among banks in the U.S. We are the only foreign banking organization (FBO) that is regulated as a large bank and our New York Branch is the only Chinese RMB clearing bank in the U.S. designated by the People's Bank of China. We are committed to being the leading RMB clearing, settlement and trading financial institution in America.

BOC U.S.A. offers a full spectrum of products and services to the local market, such as corporate banking, trade finance, global market services, U.S. dollar clearing and personal banking. As the go-to bank in the U.S. for clients doing cross-border business with China, our diversified client portfolio includes U.S.-based corporations, such as GE, VISA and CME Group (Chicago Mercantile Exchange), as well as many global Chinese companies. Currently, BOC U.S.A. clears 15 percent of China-U.S. trade, in terms of volume, and our U.S. dollar clearing is ranked 14th. We're the market leader in transactions between the world's two largest economies, making us the obvious choice for doing business with China and the rest of Asia. Our global network and services empower clients to build robust partnerships and enter new markets.

Finally, we are a global bank with a local heart. Over the years, the bank has always given back to the communities in which it operates through volunteering, philanthropy and community reinvestment programs across the U.S. Our Corporate Social Responsibility engagement focuses on investing in long-term projects and initiatives that generate a positive societal or environmental impact. Over the past several years, we have contributed almost $2 billion to various communities by participating in community reinvestment efforts to reverse urban blight and by supporting local charities.

How important is it to build a diverse and inclusive workforce?

I believe diversity and inclusiveness make a significant difference, especially for global institutions like Bank of China. Bank of China operates

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The headquarters building of BOC U.S.A. in Manhattan

in almost 60 countries worldwide with over 550 branches and offices. Banks serve different markets and various client needs, therefore a bank that embraces and builds diverse teams with different genders, races, cultural backgrounds, values and work styles, knows the market better and is able to respond to clients faster.

A corporate culture that prioritizes diversity and inclusiveness attracts the best global talent. Employees from diverse backgrounds bring new perspectives, ideas, and talents that can greatly boost a firm's competitive edge, all of which drive innovation. That's why so many multinational tech companies, like Apple, Google, and IBM, have robust Diversity and Inclusion strategies in place. Over the past few years, BOC U.S.A. has doubled its recruiting efforts to bring in employees of different races, genders and cultural and religious backgrounds to benefit from a wider and deeper pool of perspectives and ideas. This has allowed us to serve a broader community and tailor our professional services to each client's business objectives domestically and across borders.

What interested you in a career in the banking industry?

Over the past century, advances in technology have accelerated to improve human society and transform our daily lives. Banks are also evolving rapidly, and we are proactive in our mission to leverage advanced technologies to create more value for our customers as we support their domestic and global business objectives. Meanwhile, we continue to learn and innovate, translating these efforts into new products and marketable solutions. It was this evolution between technology and banking and the dynamic interaction between them that originally attracted me to the industry.

As a veteran banking professional, I've noticed how the products that banks offer today have become more sophisticated and more heavily dependent upon cutting-edge technologies. Meanwhile, technology continues to evolve at a rapid pace. I believe banks are well-placed to harness technology's potential to create value for businesses and promote innovation. I have always embraced this challenge and find the work remarkably fulfilling.

Part of this passion that has grown over decades stems from witnessing how technology has transformed our daily lives, lifted billions out of poverty, and created a globalized society where people can trade and transact in a matter of seconds with only a few keystrokes. It is our responsibility to facilitate these transactions with tailored solutions that can be executed efficiently and in compliance with all relevant laws and regulations.

Apart from the technologies used in the banking sector, we are also glad to demonstrate how inclusive finance and technological advancement enable sustainable development. For instance, Call for Code, an event organized by IBM and the United Nations, recognized Bank of China recently as the Most Innovative Asian Bank. A commitment to social responsibility has always been part of our DNA.

Are there strong opportunities for women to grow and lead in the Bank and in the industry?

Fortunately, we are living in an era where women are increasingly empowered. There are more and more opportunities out there for women to learn and to lead. Although statistics show that women remain underrepresented in leadership roles in government and corporations, I believe women can thrive in these positions. Women tend to be pragmatic in their approach to solving complex issues and committed to reaching their goals. They work tirelessly to learn, grow and excel at their jobs, performing exceptionally and providing fresh ideas.

In the banking industry, there has been a significant improvement in recent years, although there is still some way to go before we reach gender parity. I am proud to say that here at Bank of China, women have the ability to excel and promote change in every part of our business. Take BOC U.S.A., for example, where there are more women managers and team leads than men in the IT department, an area which is typically male-dominated. As a woman you may have to work hard to balance your personal life and career, but if you can find this balance and you are ambitious, you'll be better positioned for career growth and leadership roles. I always encourage my staff, male and female, to push forward, work hard and turn your dreams into reality.

What advice do you offer to young people interested in a career in banking?

Our future is digital. Innovation and social progress comes from technological advancement and with technology evolving at such an accelerated rate, young people interested in a banking career need to understand the marriage of finance and technology. Being able to "think digitally" and creatively as systems evolve, risks intensify and client demands increase are both invaluable skills to help better understand and navigate the digitized world of banking and beyond.

Above all, continue to challenge yourself and never stop learning and refreshing your skills – they're your best tools for adapting to this ever-changing world. Dream big, start small and act now. ●

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