

# Delivering on promises

By MICHEL ACCAD

CHIEF EXECUTIVE OFFICER, GULF BANK



MICHEL ACCAD

is the Chief Executive Officer & Chief General Manager of Gulf Bank. Prior to joining Gulf Bank, from 2006 to 2009, Mr Accad was the Assistant CEO of Arab Bank PLC, with direct responsibility over all banking businesses globally, and served on the Group's various Boards. Before moving to Arab Bank, Mr Accad spent 27 years with Citigroup, which he joined in 1979. His last position with Citigroup, from 2002 to 2006, was as Managing Director and Division Executive for the Middle East and North Africa region. Mr Accad holds an MBA Honours degree from the University of Texas in Austin.

It's been a good year for Gulf Bank. In December 2011, we were the only bank in the region to be given an upgrade on both our ratings and outlook from the credit rating agency Standard & Poor's: our long-term credit rating was upgraded from BBB- to BBB, and outlook raised from stable to positive. Then, in October 2012, we reported a 10 per cent growth in operating profits to KD91 million.

Both achievements reflect the strength of our financial performance – which has been driven by our consistency, customer focus and financial discipline – as well as the improving quality of our assets and the effectiveness of our business strategy.

Established in 1960, over the five decades of Kuwait's independence we have become an industry-leading financial services provider in consumer and corporate banking with a network of 56 branches strategically positioned in key locations throughout the Emirate.

Gulf Bank's major competitive edge is differentiation in terms of excellent service and product innovation.

As part of our new growth strategy, in 2011 Gulf Bank launched an initiative to assess the needs of the market and its clients in particular. Gulf Bank discovered that the most important needs of its clients are speed and reliability. Based on their findings, Gulf Bank revamped and re-engineered its internal processes and then launched the 'We Promise' campaign; a campaign that produced a 50 per cent spike in the daily loan and credit card underwriting.

'We Promise' offers Gulf Bank's customers the best and fastest service in Kuwait, guaranteed. Gulf Bank promises its clients same-day delivery of their Gulf Bank cards, along with loan disbursement, early morning salary deposits, and a 10 minute maximum queuing time.

'We Promise' is more than just a programme. It is a culture that goes beyond typical customer transactions to satisfy all needs and requirements.

We continue to set the industry benchmark for outstanding customer service with this programme, while maintaining world-class operating efficiency and enjoying solid and consistent growth in our market share.

Meanwhile, we continue to build our fortress balance sheet by transferring part of the operating profit to enhance precautionary general provisions to meet any unexpected economic circumstance at the local and global levels.

In recognition of our strong market position, in September 2012, Gulf Bank was mandated as a lead manager to help finance two major energy projects in Kuwait.

The deals will increase Gulf Bank's market share in corporate and project financing in the local market and dispel concerns over government willingness to speed up long-awaited infrastructure projects.

Historically we have relied on consumer and corporate banking in our home market, and have no plans to expand outside the country. Instead we see our revenue growing from investment banking activities, namely corporate finance and debt advisory.

Corporate finance revenue is still marginal but we expect it to reach 5-10 per cent over the next couple of years; corporate banking clients account for around 70 per cent of revenues, with the remaining 30 per cent coming from consumer banking.

Gulf Bank has been internationally recognised as a leading Kuwaiti employer and holds the Localisation Award from the GCC Council of Ministers for Social Affairs and Labour for eight consecutive years.

The Bank has also won a host of other important awards in 2012, including:

- 'Bank of the Year' from Arabian Business;
- 'Banker of the Year' (Michel Accad – CEO) by Banker Middle East;
- 'Best Retail Bank' from Asian Banker;
- 'HR Professional of the Year' ( Surour Alsamerei – GM Human Resources) from Naseeba;
- 'Excellence in Training' and 'Best HR Strategy in line with Business' at the Asia's Best Employer Brand Awards.

Over the last year, both the global and local markets have delivered challenges that have required us to be flexible and fast-moving. The highly professional team of executive management and staff at Gulf Bank has shown that it can address this rapidly evolving environment and maximise the opportunities it presents.