



TECOM Investments - Education Cluster: **Islamic Finance Roundtable** in collaboration with Global Islamic Economy Summit 2013

Building Skilled Human Capital to Support Dubai's Islamic Finance sector

Introduction

The purpose of the roundtable was to increase awareness of Islamic financial industry requirements with respect to skill gaps so that universities and training providers could deliver relevant programmes and government entities could support with required policies and regulations.

The senior level debate, organised by Dubai International Academic City (DIAC) in collaboration with the organisers of the [Global Islamic Economy Summit](#), Thomson Reuters, saw participants review the key findings of a Workforce Planning Study, which has identified some of the major themes and skills gaps within the fast-growing Islamic finance sector.

Meeting Minutes – Key Messages

- Making Dubai the capital of the Islamic Economy in three years is one of the major strategies issued by Sheikh Mohammed. Dubai's strategy to be the capital of the Islamic Economy was launched in 2013 and is based on seven pillars.
- The DIAC/Deloitte Workforce Planning Study revealed that dedicated Islamic banking skills are in high demand from GCC banks, particularly at the entry level, closely followed by financial risk management and customer segmentation and analytics skills.
- If Dubai is to be the hub of Islamic Finance, then the industry needs assistance from professional Islamic Finance experts.
- Islamic Finance is a growing market. It is growing faster than the general finance market with total banking assets of around US\$1 trillion (LSE)
- Universities and vocational education institutions need to provide the infrastructure and services to support courses in the Islamic Finance sector.
- The Islamic Economy represents various sectors including food, pharma, fashion, media and much more than just Islamic Finance.



- The Industry side needs to lead the shift towards an Islamic Economy – they should instruct academic institutions on the various courses and skills/qualifications they require from graduates.
- In order to build on a globally recognised Islamic Economy ecosystem, we cannot work in silos. Government, industry and academics need absolute transparency in order to work together. A large talent pool exists which should be tapped into. The triple partnership of regulators, academics and employers is crucial to the success of this hub
- Having an Islamic ethos is important for a company, not just offering Islamic products. The way a company conducts business and its practices needs to keep in mind Islamic values and traditions.
- Universities and companies need to invest in research in Islamic Finance which will help grow the industry and talent pool.
- Islamic Finance should be taught to students from grass root levels.
- There are more than 50 banks in the UAE, but only 5 Islamic banks. More are needed if we are to support this vision of making Dubai the centre of the Islamic Economy.
- Universities will respond to market needs if they are made aware of them. Informing the academic sector of market needs should be the responsibility of Industry.
- Accreditation and certification are very important when institutions are promoting Islamic Finance courses or services.
- Internship programmes need to be offered by banks, Universities need to develop better career guidance programmes.
- Dubai has to play a very big role in developing the Islamic Economy in order to meet the vision of His Highness Sheikh Mohammed.
- The baseline level for academic qualifications are very high: recruiters will look for experience, internships, written papers and additional areas that make a graduate stand out.
- Is vocational education the answer for a quick response to the needs of the Islamic Economy? Do we need quicker diploma programmes over degrees?

Next Steps

- There needs to be more frequent networking events and opportunities for government, industry and academic sectors, in order to have greater transparency with key stakeholders in the Islamic Economy.
- Using the Malaysian model as an example, if we have the UAE Government investing in research and other areas within the Islamic Economy, it may help develop the infrastructure at a quicker rate.



- Industry, especially financial institutions, should look to offer more internship opportunities to graduates to ensure better development of human capital.
- Universities should plan to offer more degrees in Islamic Finance – whether these are dedicated degrees or streams within existing degrees.
- A committee should be initiated which includes academia, banks and the government, in order to create a fund to support the Islamic Finance sector.
- In order for Dubai to realise Sheikh Mohammed’s goal – Industry, government and academic institutions need to work closer together and plan to develop trained professionals within the Islamic Finance sector.

Key Quotes from the Event

Dr. Ayoub Kazim, Managing Director of Dubai International Academic City and Dubai Knowledge Village

“Islamic finance is a central pillar in Dubai’s strategy to become the world’s capital of the Islamic economy. Demand for skilled workers in this field has never been higher, and as a home for the region’s education and training institutes, we have an important role to play in bringing academia, industry and government closer together to ensure the future success of the sector.

“Roundtable debates such as these, informed by evidence found in the Workforce Planning Study, enable our academic partners and training institutes to tailor their education programmes to the demands of local business. This is a smart and forward-looking approach to education – and it is one that ties back to Dubai’s overarching vision of developing a thriving, knowledge-based economy.”

Essa Al Mulla, Executive Director, Emirates National Development Programme, Knowledge and Human Development Authority (KHDA)

“Islamic finance plays a crucial role in the UAE’s financial system. The debate not only highlights the existing skills shortage in the sector, but also provides a platform to discuss innovative ways to encourage sustainable and long-term skills development. At present, there are a number of institutions in Dubai offering programmes in banking and finance; however, we need programmes specialising in Islamic Finance.”

Rashid Mahboob, Senior Vice President, Customer Excellence at Dubai Islamic Bank

"This high level discussion offers an early insight into the skills gaps that exist within the Islamic finance sector, as well as how to nurture the human capital needed to meet the sector’s expected growth.

“In the future, there will be an increasing focus on excellence in all aspects of employment, and this will be particularly true for those working within Islamic finance. To prepare for this, universities and training providers must refine their programmes and courses to support the sector, equipping young talent with the level of specialism and sophistication that is required by employers. Similarly, employers must dedicate themselves to providing genuine on-the-job training.”



Professor Abdullah Al Shamsi, Vice-Chancellor of the British University in Dubai

“According to PricewaterhouseCoopers, Islamic financial assets are growing 17% per year and are set to reach \$2.67 trillion by 2017. These developments vouchsafe the growing significance of Islamic finance and banking in the aftermath of the global economic crisis.

“Clearly realising the market needs for trained manpower in this industry, the British University in Dubai has already initiated steps to introduce a full-pledged postgraduate program in Islamic economy and finance from the next academic year. Currently, we are preparing the necessary documents to be submitted to MOHESR for its inspection and approval.”

Contact Details

Dubai International Academic City

P.O. Box 73000

Dubai, United Arab Emirates

Ph: +971 4 360 2060

Fax: +971 4 360 4886

E-Mail: info@diacedu.ae

Web: www.diacedu.ae

Facebook: “Dubai International Academic City”

Twitter: @DIACBrand

Attendees:

Attendees at the event represented senior executives from industry, government and the academic sectors.

Name	Position	Company
Dr. Mohammed Alam	Associate Professor (Accounting)	Canadian University of Dubai
Dr. Suhail Zubairi	CEO	Dar al Sharia (Dubai Islamic Bank)
Mr. Sameer Hasan	Business Director	Ethica Institute of Islamic Finance
Dr. Issa Almansour	Head of Islamic Finance Department	Al Khawarizmi International College
Mr. Ehsan Razavizadeh	Regional Director, MENA	Cass University, Dubai
Mr. Binod Shankar	Managing Director	Genesis Institute
Dr. Abdulla Al Shamsi	Vice Chancellor	British University in Dubai
Dr. Hela Miniaoui	Assistant Professor	University of Wollongong Dubai
Dr. T.P Ghosh	Professor - Department of Finance	IMT
Mr. Abdullah Sharafi	Chairman of the Board	TECOM Investments
Dr. Sayd Farook	Global Head Islamic Capital Markets	Thomson Reuters
Mr. Abdalhamid David Evans	Managing Director	Imarat Consultants
Mr. Muneer Khan	Partner	Simmons and Simmons
Mr. Rashid Mahboob	S.V.P, Customer Excellence	Dubai Islamic Bank
Mr. Bryan Stirewalt	Managing Director – Supervision	DFSA
Dr. Ayoub Kazim	Managing Director	TECOM Investments - Education Cluster
Mr. Waheeb Al Khazraji	Head of HR	Abudhabi Islamic Bank
Mr. Waqar Mirza	CEO	Al Maali Group
Mr. Norman Salt	Deputy Director	KHDA (NIVE)
Ms. Norlida Azmi	Global Head of Talent Management	Abu Dhabi Islamic Bank
Mrs. Safia AlRaqbani	Assistant, University Foundations and Community Relations	Zayed University
Dr. Michael Allen	Assistant Provost, Faculty Affairs and Research	Zayed University
Dr Hatim El-Tahir	Deloitte leader of the Islamic Finance Knowledge Centre	Deloitte & Touche, Bahrain
Mr. John Ellis	VP Client Service (GCC)	Oxford Strategic Consulting
Ms. Maha Maisari	Director - Strategy Development	Dubai Holding
Mr. Hasan Muzaffar	Partner	McKinsey and Company
Mrs. Zainab AlZarouni	Corporate Relations Manager	KHDA (ENDP)
Mr. Stuart Anderson	Managing Director	Standard & Poor
Dr. Ali Sebaa Al Marri	Executive President of the Mohammed Bin Rashid School of Government	Dubai School of Govt
Mr. Mohamed Sherif	Executive Director	DTMFZA
Mr. Ibrahim Moosa Jamel	Director of Operations	TECOM Investments - Education Cluster
Ms. Leigh Ann Jones Khosla	Director of Business Development	TECOM Investments - Education Cluster
Mr. Saeed Rashid Al Suwaidi	Advisor-DG	DED
Dr. Elango Rengaswamy	Associate Professor from Finance & Banking	British University in Dubai

Appendix

Financial services - Key themes across the GCC



Key challenge for GCC banks is to balance growth aspirations with cost pressures and risk management

Key themes across the GCC

Leveraging Islamic Banking potential

- Islamic banking witnessing higher growth than conventional banking
- Commercial banks looking to exploit the opportunity

Investment in retail banking infrastructure and capabilities

- Retail banking emerging as a growth engine in specific GCC markets; several large GCC banks embarking on retail restructuring programs

Focus on cost optimization

- Major GCC banks focusing on cost optimization, driving efficiencies through business process re-engineering

Opportunities in wholesale banking

- Banks looking to strengthen their investment banking franchise to better cater to large corporates and tap into underserved segments (e.g. SMEs)

Risk Management

- Several GCC banks are in the process of transitioning to Basel II/ Basel III and are looking for specialist skills

Development of alternative distribution channels

- GCC banks are increasingly investing in a multi-channel strategy with branches playing a sales and advisory role

Segment propositions

- Rigorous segmentation
- Commercial banks developing tailored propositions (e.g. women's banking, youth banking, etc.)

Wealth management and affluent banking

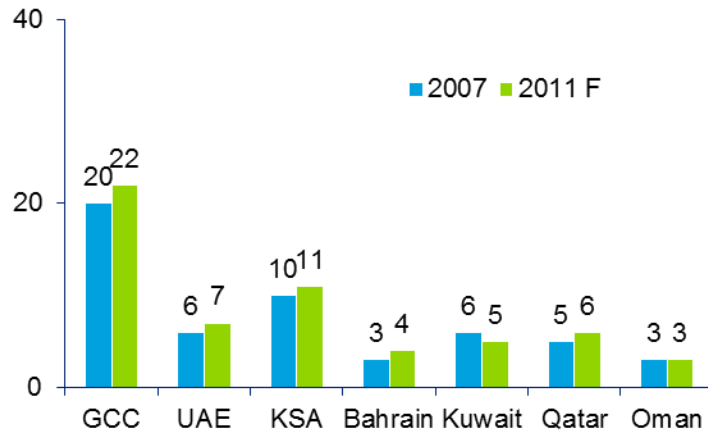
- Wealth management and affluent banking propositions moving from simple lifestyle benefits to advanced investment advisory

Financial services - Key Segments and Trends

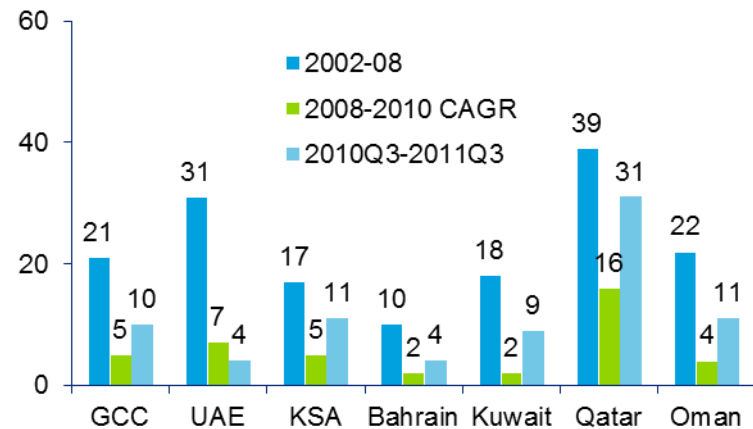


Profitability and asset growth of the banking sector improved markedly in 2011; but with significant variations between GCC countries

USD Billion **Net profit pool**

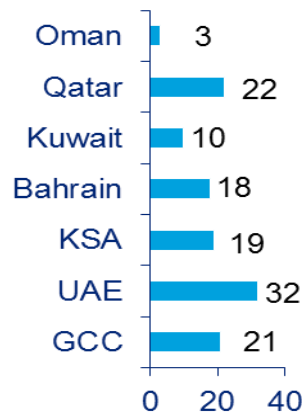


% growth **Asset evolution (%)**



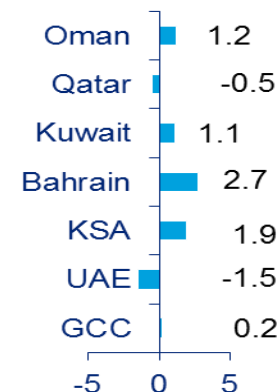
Profit evolution

2010Q3-2011Q3 (%)



Cost-to-income ratio evolution

2010Q3-2011Q3 (%)



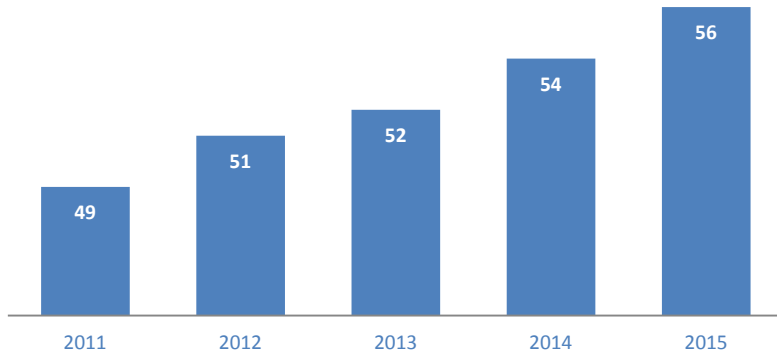
Financial services - *Manpower Projections*



Representing the number of people employed under Banking and Finance in the selected GCC nations

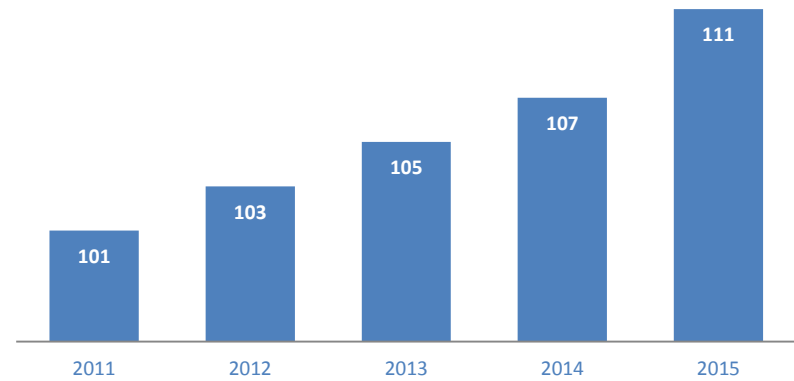
UAE

CGR 3.29%



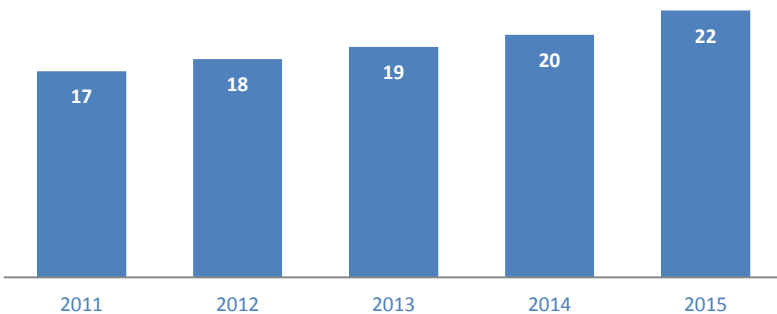
Saudi Arabia

CAGR 2.32%



Qatar

CAGR 5.92%



Oman

No accurate data available

Financial services - Skills in Demand

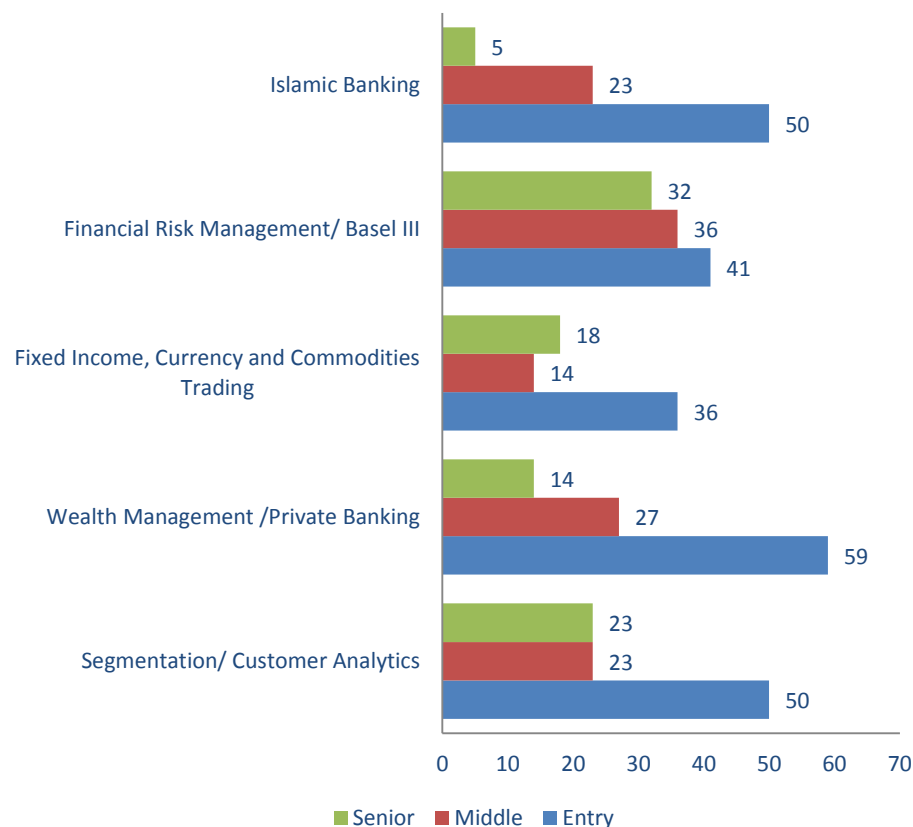


Islamic banking skills are in most demand particularly at entry levels apart from financial risk management and customer segmentation/analytics skills

Top skills in demand
% of companies interviewed



Skills lacking by level
% of companies interviewed



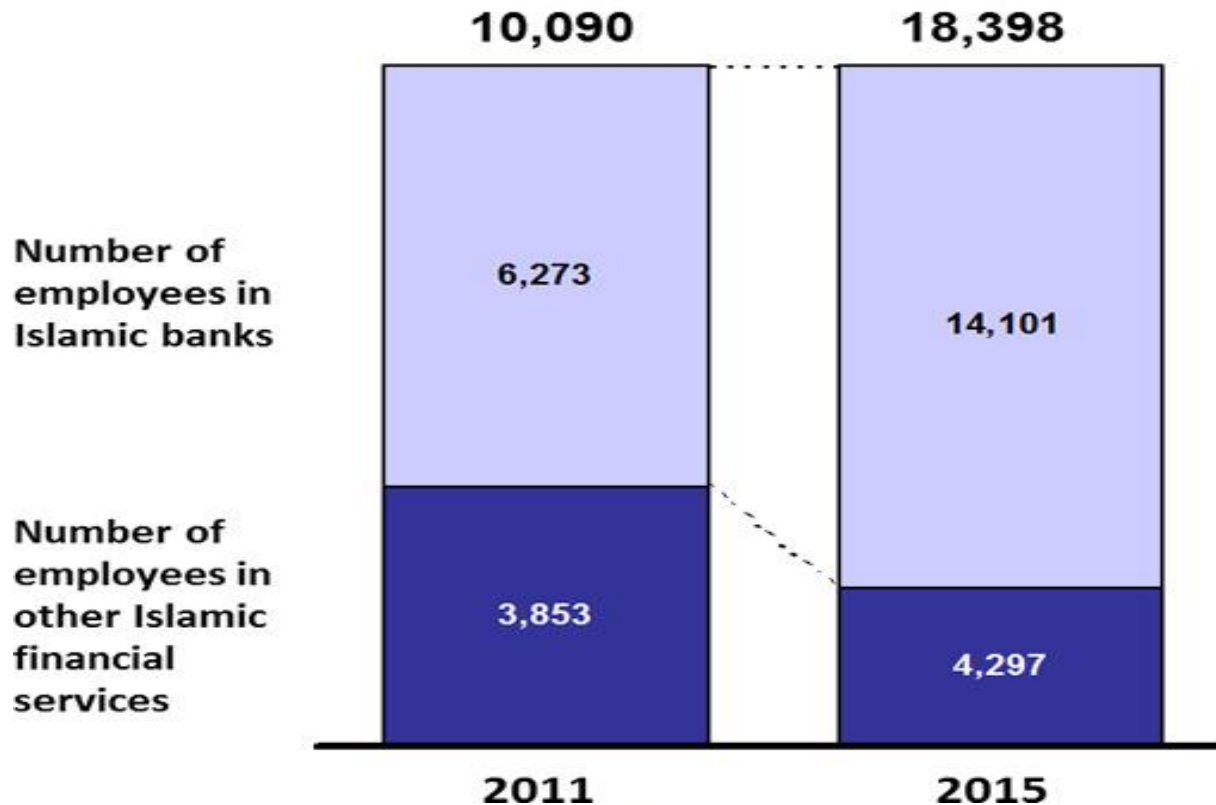
Islamic Finance - *Growth*



DUBAI
INTERNATIONAL ACADEMIC CITY
A member of **TECOM** INVESTMENTS

By 2015, the Islamic Finance Services Sector will double in size from approx. 10,000 employees currently to 20,000.

Projected Employment in Islamic Financial Services in the UAE by 2015



Cass Dubai Centre – A Case Study

November 2013

Overview

The Cass Dubai Centre was established in 2007 in collaboration with Dubai International Financial Centre (DIFC) to meet the needs of business executives in the Middle East and surrounding regions. Since then, the business school has gone from strength to strength and, correspondingly, increasing its student intake numbers year-on-year.

Cass Dubai Centre prides itself on the quality of its programmes, the strength of its faculty, the school's knowledge of and connections to local industry, as well as the diversity of its student body. Cass's Dubai-based EMBA attracts students from all over the world – many fly into Dubai each month from within the GCC region as well as far as Georgia, Singapore, Nigeria, Morocco, USA, Poland and Azerbaijan – this is testament to the quality of the programme.

Islamic Finance Ecosystem

Demand for Sharia-compliant finance has increased significantly in recent years. To help meet this demand and to play its part in the development of an Islamic Finance ecosystem, Cass Dubai Centre aims to act as an intellectual hub which bridges the gap between the world's centres of Islamic Finance – Dubai for the Middle East, and London for Europe. The Cass Executive MBA in Dubai became the first top-ranked course in the world to offer a specialised Islamic Finance Stream which consists of electives in Islamic Banking and Finance, Islamic Economics and Islamic Law of Business Transactions. The Islamic Finance Stream is aimed at fund managers, investment consultants and advisors, as well as those in a wide range of professions in banking or in the financial services sector who take a close interest in Islamic Finance, many of whom chose to study in Dubai as a result of this unique programme offering.

The course equips students with the main tenets of Sharia-compliant financial dealings, demonstrating Islamic Finance in a holistic fashion and in the context of the modern and global financial system, of which it is an increasingly important part. Islamic Finance electives are also offered as open enrolment courses.

Furthermore, students are actively encouraged to conduct research and submit dissertations in the area of Islamic Finance. Cass has engaged with industry-leading partners such as Dar Al Sharia to ensure students receive world-class tuition and advice.

Earlier this year, Cass published a report entitled *Dubai as an International Financial Centre: Threats and Opportunities* as part of its Business Consultancy Services offering. The report, sponsored by SWIFT and published at Sibos, aims to contribute to the body of knowledge on Dubai as an IFC and to lay out a road map for what steps need to be taken in order for Dubai to continue developing towards this goal.

Cass is also committed to developing executive education internationally, especially in the area of Islamic Finance. The school has partnered with Banking Sector and Education and Training Authority (BANKSETA) and Wits Business School in South Africa to develop the International Executive Development Programme (IEDP), which seeks to identify and develop high-potential future leaders of the South African financial services industry. In a workshop hosted by Cass for high profile South African banking executives at the DIFC in September this year, attendees were given an overview of Islamic banking.

In addition to Islamic Finance events that are regularly hosted by Cass, the Centre has partnered with Dubai Islamic Bank to offer Sharia compliance financing to all students.

Accreditation and statistics

Cass is in the top one per cent of business schools worldwide to have received the gold standard of 'triple-crown' accreditation from the Association to Advance Collegiate Schools of Business (AACSB), the Association of MBAs (AMBA) and the European Quality Improvement System (EQUIS). The Cass Dubai Centre is also licensed by the Government of Dubai's Knowledge and Human Development Authority (KHDA).

In 2013, the Financial Times ranked Cass's Executive MBA 5th in the UK, 14th in Europe and 35th internationally. It is ranked in the top 10 UK business schools for business, management and finance.

To date, 195 students have graduated from the programme in Dubai, including 20 nationals. Many have gone on to start their own businesses, engineered a career change or excelled in their existed place of work.

In October 2013, Cass welcomed its seventh EMBA intake, of which 38% are MENA nationals.