

Doing things differently

In the third article of our series looking at the working life of ACCA members at big-name businesses, we meet Daniel Baynton and Ian O'Toole of Santander

Triton Square is a recently built, smartly paved area surrounded by equally smart, tall glass buildings on London's Euston Road. Close to Warren Street tube station and Euston railway station, the headquarters of Spanish banking giant Santander were formerly that of Abbey – then the UK's sixth largest bank – before its takeover and rebranding.

Being a few minutes away from the

bustle of London's West End, this is probably one of the last places you would expect to find the headquarters of a major global bank – the others jostle for prime locations inside the Square Mile – but Santander is a bank that does things differently.

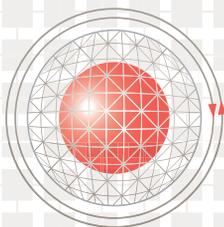
When the recession savaged the banking sector, Santander was on standby to pick up the pieces. Literally, in some cases. After the 2004 Abbey

acquisition saw its entry into the UK market, the Spanish bank got busy during 2008 and 2009, taking over ailing Bradford & Bingley and Alliance & Leicester, and is currently planning for the possible integration of 300 branches and 40 business centres it may be acquiring from the RBS group.

Daniel Baynton, a senior auditor in the internal audit department who joined Santander in early 2007 before

Daniel Baynton (left) and Ian O'Toole enjoy the variety that their project-based roles offer





The CV

IAN O'TOOLE

2010

Finished ACCA qualification; now an auditor in the internal audit department

2007

Joined Santander as an ACCA graduate trainee in the internal audit department



the crisis hit, says it shouldn't be surprising that Santander weathered the storm so well. He says that as well as being regulated by the FSA in the UK, Santander has to comply with the Bank of Spain regulations, including a prudent approach to measuring risk. 'The prudent approach to risk helped us to survive the financial crisis.'

With rapid changes both within the banking sector and within Santander itself, it should also come as no surprise that the staff, much like their employer, have had to learn and respond swiftly to new challenges. Auditor Ian O'Toole, who also works in the internal audit department, started as an ACCA graduate trainee in October 2007 – qualifying last year – and says that trainees get heavily involved in challenging work early on. 'Even if you've only been here a year you're exposed to and work with different levels of seniority within the organisation, which is great for development,' he says. 'We often have to go into areas of the business we're new to, and understand their processes and issues. We're expected to learn quickly; everything's a steep learning curve.'

Constant challenge

For Baynton and O'Toole, the constant challenge and expectation to learn quickly is what they like best about Santander. Working for different parts of the 70-strong UK internal audit function – Baynton in the operations and IT specialism, O'Toole in the credit risk team, although there are other



The CV

DANIEL BAYNTON

2007

Joined Santander as a senior auditor in the internal audit department

2004

Joined Colt Telecom, working in internal audit; became ACCA-qualified

2000

Joined Arthur Andersen (merged with Deloitte in 2002) as an IT auditor

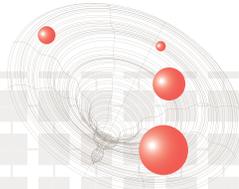
internal teams – both get to see many facets of the business. Travel is frequent. O'Toole, who has finished a stint in Glasgow, says there isn't a typical working day at Santander.

Baynton agrees that there is a lot of variety in the project-based nature of the role. 'Short projects will take about four weeks, but some of our larger audits will take two months,' he says. 'Normally you spend the first week in the office, understanding that area of

the business and holding key meetings with senior management. The field-work often takes place at one of our sites, so there's lots of travel, and will typically take four to six weeks, after which you write up the report. We then have our final meetings with senior management to agree what we've found and draw up an action plan.

'There will be times when the business challenges us, so we've got to make sure we're correct in what we've found and that what we're recommending is feasible. However, internal audit is taken very seriously in the organisation, which is motivating. What I like is dealing with the complexity of the business and being able to deal with new areas, but I also

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The basics: SANTANDER

£5BN

Net UK operating income for the year ended 31 December 2010.

11%

Growth in UK profit after tax for the year ended 31 December 2010.

40

Number of countries in which Santander operates.

13,500

Number of branches worldwide.

1,400

Number of branches in the UK.

25M

Number of UK customers served by the bank.

19,848

Number of employees in the UK.

1857

Queen Isabella II of Spain signs a royal decree authorising Santander to be set up as an incorporated body. Santander entered the UK market in 2004 by acquiring Abbey, at that time the sixth largest bank in the UK.

like having to deal with people and personalities – even when crunching data you’ve got to explain what you’ve done and persuade others of your ideas.’

In terms of the way the department is set up and how Santander works, Baynton is reminded of how a Big Four professional services firm operates: ‘Nothing gets stopped or slowed down through bureaucracy or endless committee meetings: if it’s broke, let’s fix it. Compared to my previous roles, there’s a lot more challenge from the business and you have to be conscious of timescales and deadlines. Banking and financial services change so rapidly, you have to take account of that.’

Changing business

O’Toole agrees. ‘We often find, when we work on a business area one year, that when we return a year later it’s often completely different,’ he says. ‘For example, Santander has integrated the Alliance & Leicester business, so that area’s been changing quickly.’

‘We’ve also migrated Bradford & Bingley onto the Santander platform,’ adds Baynton. ‘Our systems tie in very closely with our processes.’

One big challenge facing Santander recently, Baynton explains, is that ‘in the last couple of years been a shift in the regulators’ stance towards banks; they’re being more demanding – as is right – and we expect that to continue.

‘There’s also the recent acquisitions: bringing in Alliance & Leicester wasn’t just about bringing in more branches, people and customers; their corporate bank was very different in terms of risks, appetite for risk and culture. We had to understand how they work.’

All this has meant that the team has grown rapidly. Baynton notes that when he joined, only a few people had stayed on from the previous Abbey team. There are currently around 15 ACCA trainees and Santander pays for and gives six days of study leave for each

exam. But with Santander’s ambitious expansion plans – particularly in the small and medium-sized enterprise market – showing no sign of slowing, O’Toole says that the internal audit function will be hiring again.

Being a relatively new and highly motivated team has meant that they

have dealt effectively with the constant changes and challenges of the past few years. While weekend working is virtually non-existent, office hours during the week can be long. O’Toole admits: ‘It’s not a 9-5 job,’ adding: ‘I’ll usually start work before 9am and finish around 6 to 6.30pm.’ Baynton says that flexitime and part-time working are currently being looked into as the team has matured, but believes that staff also have to be flexible. ‘Sometimes when you have to meet with someone senior it’ll be late if they’re burning the midnight oil,’ he says.

One advantage of being part of a global 900-strong internal audit team is that when the team needs additional technical expertise they can be supported by colleagues from Spain.

Another advantage is the Spanish influence. Both are taking company-provided Spanish lessons – ‘I’m actually missing my lesson right now,’ confesses Baynton – and business relationships are often maintained over a coffee in the bright, spacious café.

The department is keen on volunteering and charitable activity, with fundraising competitions around major sporting events common; in one, O’Toole won tickets to the Santander-sponsored Grand Prix. ‘Our Spanish colleagues play football against us in the “annual grudge match” when they come over,’ says Baynton. ‘Last year they showed Spain and England’s World Cup matches on the big screen in the canteen.’

Despite their achievements, both Santander and its staff want to continue working hard to build on their success. ‘We’ve come a long way but this is not a time to rest on our laurels,’ Baynton says. ‘We have to keep challenging the way we do things, and not be afraid of doing things differently.’

Santhie Goundar, journalist