

The Analysis of Financial Enterprises Recruitment Strategy and Way of Choosing and Employing People-----Citigroup, for Example

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Abstract

Citibank is a leading multinational bank. In its development history of nearly 200 years, Citibank has developed from an unknown small bank to a world-leading financial predator. This period contains a lot of Citibank's secret methods. This paper starts from Citibank's recruitment strategy and introduces Citibank's basic recruitment standards and requirements for its employees. This paper also summarizes Citibank's way of choosing and employing persons, attributes the quality which the successful Citibank's people need and discusses the diverse characteristics of Citibank's choosing and employing persons. I hope this paper can bring some enlightenments to domestic banks.

Keywords: Citibank, recruitment strategy, usage of the employees, diversification

1. The Introduction of Citibank

Citibank is one of the commercial banks of Citigroup inc, its predecessor is New York City Bank which was established on June 16, 1812. After nearly 200 years of developments, Mergers and acquisitions, until the beginning of the 21st century, Citibank has become the world's largest bank. Citibank's branches cover all over the world in nearly one hundred and fifty countries or regions. Its headquarters are located in 399 of New York's park avenue. It is one of the banks with the largest assets, the highest profits, the highest global concatenates, the most complete financial service project all over the world. In 1998, Citigroup company merger with Travelers group, the new Citibank had formed, and its shares are listed on the card over the same period. After listed on the card, Citigroup expanded massively by issuing new shares, directional mass equity transfers and so on. And Citibank also started the acquisition of enterprise business integration and globalization output strategy at the same time, which made them become one part of the Citigroup in a short period of time. In this period, its total assets increased by 71%, a 92% increase in shareholders' equity was achieved, revenues increased by 72%, 2.6 times earnings growth was achieved. All of these showed the extraordinary capital strength and profiting ability. All in all, Citibank's shares is a famous blue-chip stocks in New York stock market.

Citigroup has more than two hundred million customers in more than 100 countries around the world, including individuals, institutions, enterprises and government departments. Citigroup offers a wide range of financial products and services from commercial banking services, credit loans to investment banking and brokerage, insurance and asset management. The business of Citibank varies greatly. Citigroup inc now mainly includes Citigroup, travelers life insurance, endowment insurance, Citi-financial, Banamex and Primerica.

The British famous magazine----Banker made a rank of the world's top 1000 Banks in 2002. In the rank, Citigroup ranked first in the three indicators by the tier 1 capital of 59 billion, total assets of about 1.097 trillion, the advantage of profit of about \$15.28 billion. Its profits account for about 6.1% of the total profits of \$252.4 billion from the top 1000 big Banks. In the past 10 years, Citigroup's stock price, profitability and revenue achieves all increased by two Numbers, and the compound annual growth and earnings growth is higher than income growth. Especially admired deeply by the peer marveled, after a series of significant events such as the global financial crisis and the Iraq war in 2008, under the standing of overall profitability in 1000 big Banks felling 14.9% and 29.7% respectively, the total profit of Citigroup still increases by 3% and 4.5%, which shows Citigroup's remarkable ability to resist risks. (Lu, Xiaohui, 2006)

Citigroup is one of the most successful financial groups which are recognized all over the world, which is not only because that it has higher profits and growth speed in the global financial services industry, but also because it is a bank with the world's best global financial service chain. Each client, in any operating point of Citigroup, can get

savings, credit, insurance, securities, trust, fund, financial consulting, asset management and other financial services to the universal type. The average number of products available to each customer ranked first in the global peer enterprises, Citigroup's global service network is therefore a immeasurable resource of Citigroup.

2. Citigroup's Recruitment Strategy

Citigroup's goal is to build itself into the world's best commercial Bank, and in order to be the best bank, there must be the best talents in the company. Therefore, according to the philosophy of employee first, Citibank pays much attention to the cultivation of talents and usage of talents, constantly stressed the key to keep the position of leading enterprise is talents. And retaining talents has always been the basic policy of the enterprise. Citigroup has been sticking to the full and effective use of human resources policies, its global human resources policy is mainly employing, developing and retaining the best talents. Interpersonal skills, math skills, customer service consciousness, professional ability and reliability are the basic standards of Citibank's recruiter. Citibank's recruiting object is given priority to college students, especially to the MBA as the main body of knowledge; Citibank will then take them in, and through their own training system, Citibank will make them become the talents they need for further development of the bank; Citibank's recruitment of employees mostly pay attention to top university graduates, it has have established fixed cooperation relationship with the United States' top 40 universities-----Each year, Citibank employ more than two-thirds of the total number of recruitment from these school recruitments of students. Every year, Citigroup also sponsors to these schools with research fundings and organizes these college students to internship in Citibank center. Business school of Harvard University, for example, in order to attract graduates to work at Citibank, Citigroup's chairman of the board of directors will make a speech at Harvard every year to graduates about Citibank's present and future and Citibank's development space. On the other hand, Citigroup will also make the open recruitment of talents which are badly in need. In both of these two recruitments, Citigroup chairman, President, often meet the finalists in person for an interview one by one.

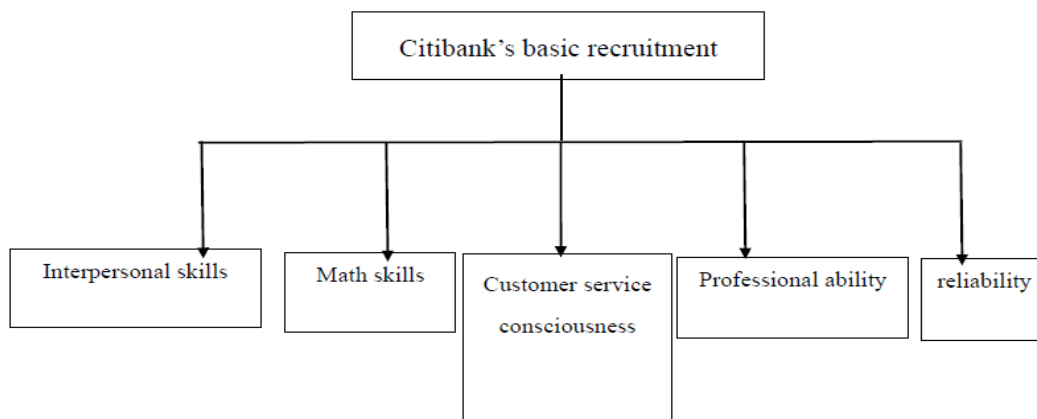


Figure 1

In order to attract talents, Citigroup uphold such a concept: introducing talents is not only to meet the urgency, but also reserve. Because of the slowness of talents' growing and long-term business, enterprise human resources policy of predictability is very important. On the introduction of talents, the bank pay very much attention to the long-term development of the enterprise; Considering the change of market environment in the future, Citigroup is the first one in big banks which realize the importance of banking recruitment marketing personnel. Successive Citibank President has long argued that the success of the future banking industry must use a new marketing method, this approach will be reasonable use of marketing in the consumer market as the basic policy. Then, the bank began to be engaged in consumer marketing company in recruiting talents, adapting marketing strategy and hiring marketing management personnel. 30 years ago, in the banking sector this behaviour was almost considered a deviant behavior. However, as the change of market environment, after the 1990s, the banking market changes rapidly from the buyer market to the seller market. Banking staff proactive marketing strategy suddenly becomes very urgent. Citigroup, due to reserve a large amount of marketing talents, thus was able to be quickly adapted to the needs of the development of the market, its business model also quickly completed the transformation. Business stagnated in other Banks, Citigroup and inverse city has achieved rapid developments. And Citigroup attaches great importance to the construction of the team: In the early 1980s, Citibank wanted set up a specialized rating analysis team, specifically responsible for the risk rating. In order to attract and retain the evaluation experts, Citigroup has a flexible incentive mechanism, according to the importance of specialist position rather than government level salary, the salary of an expert in an important position is often more than the department manager. Even at the time of economic downturn,

the outstanding talents of research are still digged all around the world by the human resources department.

Unlike other international banks, Citigroup alternatively dilettante tradition, when they choose employees, the most important thing is the intelligence quotient and they don't particularly care about his banking experience. They put "they could looks like, the good luck body is in the mountain." They use it properly, and made a lot of unexpected success. In 1965, for example, Citigroup hired a GE internal think-tank, military technology action plan team, and let them make a Citigroup's long-term development plan. In the members of the team, no one had contacted with Banks or the financial sector. After a period of time of diagnosis, the team thinks the Citibank mainly living on spreads, it is no future. They think that the bank should not be just a bank, and should be a global financial services company based on science and technology information. The new opportunity of Citibank lies in the capital appreciation and services, through the use of information technology, they can make themselves on a global scale to provide financial services for a fee. In the next 30 years, the development of the banking completely confirmed their predicted accuracy.

The key to attracting talents of Citibank is people-oriented. It is obvious at this point in the introduction of senior management personnel and technology elite talent like this. Citibank adhere to the implementation of incentive mechanism as the core of professional manager system, marketization of employee compensation system, as well as the positive option system. To rely on the system to motivate staff, enterprises can rely on experts and elite of science and technology to manage companies.

3. Citigroup's Way of Choosing and Employing Persons

Citigroup is the world's largest financial services institution, and has a history of nearly 200 years. Citigroup has branches in more than 100 countries and regions all over the world and more than 270000 employees all over the world, its total assets is more than \$1 trillion. Marked by red umbrella, Citigroup's main brands include: Citigroup, Traveler group, Salomon Smith barney, Citi-Financial and Primerica Financial services company. (Han, Jinhua, 2008)

3.1 Diversification of Choosing and Employing Persons

Citigroup's goal is to become the best employer of talents all over the world and make every employee can get equal chance to join in the career to develop themselves, achieving the balance of work and life to get healthy. Citigroup attaches importance to and supports a variety of ideology, cultural background and experience, this is seen as the foundation of Citibank's successful global business.

Citigroup is an example of varieties of choosing and employing persons, the diversification of this variety is very thorough, not only limited in a different country, region, culture and national large categories, but also in the absolute respect for each person's private life, privacy and interest. (Zhou, Jian, 2005)

Citigroup's success lies in that in different levels of the organization to attract diverse talents, this ability is a great wealth to Citigroup. Through partnerships with leading organizations' establishments and developments Citibank employs the most diversification of university students, graduates and professionals. Successful Citibank's employees' quality-----integrity, customer-focused, to adapt to the changes, teamwork spirit, active, perseverance and flexible.

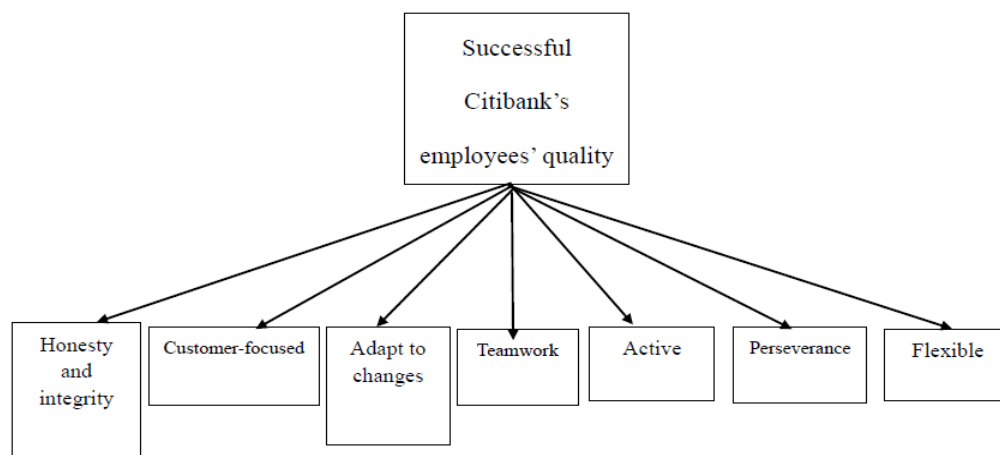


Figure 2

Every year, Citibank will recruit a certain number of interns internship training in Citigroup all over the world, and through a variety of business they will be provided internship opportunities and tutoring programs. They participate in activities such as "summer camp" with series of speeches which the charismatic company senior leaders will attend, including Citigroup chairman, CEO, the chief financial officer and so on.

Every year, in the United States, Citigroup, cooperating with INROADS, recruits new employees, it is a program which can improve ability, leadership development and bring more diversity into the workplace internship. INROADS is a non-profit organization in the United States, in the field of business and industry training and development of high school and college students, helping them get a successful career. Citigroup is involved in the project, and identify and employ a number of interns, they spend four times at Citigroup in the summer time to do their university graduation design, and learn from Citigroup's business. Every year, there are many interns which Citigroup will hire.

Citigroup, diversification of choosing and employing persons signs everywhere. Citigroup has a long connection with several leading black famous universities in the history. Citigroup has created a team, designing clear goals, which black recruited college students and graduates are from these. The team work closely with the company's business department are all to strengthen the partnership with these schools.

Citigroup always pay attention to the strategic cooperation with many professional organizations, including the black MBA association, the national association of Spanish MBA. Citigroup is one of the two cooperation advisory board members of the organization. Citibank continue to work with Robert Toigo foundation, it is one of the leading institute and financial partners. As a model of diversified employers, Citibank continue to cooperate with gay men and lesbians MBAs and attend their conferences, and not give them any discrimination.

Citigroup, in professional level, intend to attract the diverse talents, the efforts include: widely participate in professional exhibitions. Every year, Citigroup will participate in New York, Chicago, Dallas "employ women" activity, constantly to recruit women into consumer group, investment banking, personal banking and technology department of posts. Every year, Citigroup will also participate in these projects----the Wall Street profession promotes Spanish unions, city financial services such as professional recruitment activities. Through various channels, Citibank looks for financial talents.

3.2 Citibank China ----- Positioning at a High Level

When recruiting, Citibank China's notice will be located at a high level of talents. From education, they generally only recruit master graduates or above. Citigroup in China targeted for recruitment, hiring the best and most suitable talents into Citigroup, for those who work in banks and have a strong interest and talent in financial pursuit. In China, Citigroup is concentrated in the Beijing university, Sun Yat-sen University, China Europe International Business School, recruiting outstanding graduates of masters or MBA from a reputable school at home and abroad. Citigroup's positioning to choose high level talents is based on Citigroup's long-term development strategy, which is established for Citibank by training excellent management talents in the future as a talent pool. (Gong, HuiMin, 2010)

Every year in China, the Citibank master graduated in famous university graduates recruited as a management trainee, professional focus on finance, financial, business and other fields. For a written examination and interview respectively. Before Citibank China vice President of corporate communications and public affairs assistant Guo Ye is employed as a management trainee into Citigroup, starting with an assistant, just a few short years she has become a middle-level cadres of Citigroup's management personnel, now she was sent to the United States headquarters in international training.

3.3 Characteristics of Staff Training

In terms of staff training, Citigroup is also a leader in international banks. Citigroup, through systematic and scientific training system, will develop staff, improve staff's professional skills, enhance the staff's leadership and let more Citibank leaders grow up in the future. The financial industry is different from the mass consumer goods industry and other industries, the growth of a senior financial talent often requires a long time. Citigroup's powerful training system and strong strength of enterprises to formulate scientific training will make a wonderful development plan for employees.

In terms of new employees into the company, each new employee before entering the company, Citibank is ready for a new employee in advance, stationery, office computer phone, set password, E-mail address and so on. And on the first day of the new staff, he or she will be introduced to all the other departments, with employees familiar with the company's environment, through a variety of importing activities, these will make every employee feel the warmth and harmony of Citigroup family. New entrants to Citibank employees, in addition to import the necessary new employees, must also take part in 2 to 3 days of Citigroup quality management training. The purpose of the quality management training is to let each Citigroup employee understand the importance of customer satisfaction.

In Citibank China, the new recruit trainee management for the new employees after import is typically a rotational training between various departments for 10-12 months. Rotational training period, new employees will gradually familiar with bank related business, policy and business rules, understand the business and operation of various business departments. As the bank manager in the future, they will also be arranged to overseas training, understand the status of the Citigroup in global business, cultivate internationalized vision. 10-12 months of management trainee, training goal is to make them as soon as possible, make the transition from student to professional financial sources, to prepare for a year later to management positions, they are in close to a year to learn is by other employees 2-3 years to learn, and this is the bank located in one of the important reasons for the high-level personnel hiring. (Cho, C., Pattern, D., & Roberts, R., 2006)

Training in Citibank China, mostly concentrated in the headquarters in Shanghai, including on-the-job training and curriculum. In all kinds of training courses, the company from the Philippines in Manila Citibank Asia-Pacific financial management college or other countries and regions come senior experts, time waits for no training for employees. As a new bank business appear constantly, in order to meet the needs of customers, and at the same time because the employee occupation and position change, Citibank will according to the needs of work to staff training. Human resources every year to launch the training plan and content, Citibank has also developed the online training course, employees can surf the Internet at any time according to need to learn, and can take part in the online exam, exam will get certificates.

In Citigroup's global strategy, Citigroup through various ways to educate the next generation of financial leaders. Citigroup has senior management personnel training centers in the United States headquarters. For Citibank executives from all over the world, Citigroup has Asia Pacific institute of financial management in Manila in the Philippines, Citibank China will choose excellent employees and sent them to take part in the comprehensive training, to participate in two weeks to a month of time as the overseas training. Courses include bank knowledge, human resources, management and so on. Sometimes, the headquarters launched the latest training program or course which Institute of Asia-Pacific financial management still hasn't opened. Citibank will also focus on related management personnel training in the United States headquarters.

Citibank China also often send the excellent staff to Singapore, the United States and other regions, let them learn the latest knowledge of banking and financial tools, develop their ability of cross-cultural work.

3.4 Citibank's Characteristics of Choosing and Employing Persons ----- Diversification, Diversification, Diversification

Citibank will unswervingly implement the strategy of diversification in the whole world. Employing from a variety of candidates in the recruitment, training and retaining talented people, is always one of the core values of Citigroup.

Citigroup will provide equal job opportunities for everyone, regardless of their race, religion, color, gender, nationality, age, citizenship, marriage, or sexual orientation etc. Citigroup's EEO policy applied to all the real work, including recruitment, hiring, promotion, training, etc. In Citigroup, as you can see, the whites, blacks, Spanish, and the ratio of female employees is even higher than the male employees, including women and men in Asia's employees. Citigroup employees all female proportion is as high as 56.1%, visible diversity of the embodiment of the principle of choose and employ persons in Citigroup, it is no wonder that Citigroup has won high praise in the field.

At Citibank, every employee in the feelings of Citibank's corporate culture at the same time, employees will also enjoy the different countries represented by the culture. In Citigroup China, employees from the United States, Canada, the Netherlands, New Zealand, the Philippines, Malaysia and other employees around the world together, bring Citibank China's brilliant culture. (Dhaliwal, D., Li, O., Tsang, A., & Yang, Y., 2011)

Citigroup's commitment to diversity is in all levels of an organization's performance, but it is starting from the top Citigroup. "Citigroup diversified operation committee" (The Citigroup-wide Diversity Operating Council) composed of senior representatives of Citigroup's business. Committee meet twice a month to exchange and share diversity of practice and innovation, the conference also provides an opportunity to involve Citigroup employees in every business diversification strategy development and implementation.

Diversity committee to help foster a culture of leadership development, in one case, Citigroup "fair" to distinguish the diversity committee in the United States, concentrated in hiring, promotion, internal training, development and innovation of the quality of life to carry out the work:

Recruitment ----"the fair to distinguish the diversity committee" in the work closely with global each other diversified investment bank cooperation, develop a plan of the same, in university of minority employees and female employees.

Promotion and development ----committee also with various departments to track, encouragement, guidance, to

provide career advancement opportunities for qualified diverse team.

Training/internal development ----the committee to provide targeted professional training plan, to cultivate, develop and retain key employees.

Innovation quality of life ----the committee to explore a variety of ways to improve the working environment for employees, provide the appropriate activities for employees and department choose to improve the quality of life.

3.5 The employee's Career Development

Citigroup focuses on developing the next generation of leaders within the organization. In 2001, the Citigroup launched mentors mentoring program for junior staff to provide the opportunity to learn from the senior staff skills. Every year after 2001, Citigroup continue to enhance the plan through the establishment of such as "the global plan", "create a powerful learning environment for the employees" activities.

Citibank's "master---apprentice system" is carried out very successfully, especially in Citibank's business department. In Citibank's business department, the new employee will be a senior staff, with a pair of "teacher --- student", by the senior staff to help new employees, to teach them from the simplest to start work. Through one-on-one, face-to-face communication and learning, new employees slowly learned a lot of business knowledge. As a student, new employees will also accept many of the company's training, various basic skills needed to have the job.

Citigroup's private bank tutorship innovation plan is now in the second stage, 10 pair of masters and apprentices took part in the six-month project. The development goal of the plan design pays attention to cater to individual participants need, one-on-one meetings and collective activities and group meetings supplement each other, they share challenges and success with his disciples.

Citigroup mentors mentoring programs to help new employees in Japan as an independent business people grow in Citibank's internal culture, all of the mentor is a member of the management association before, they received a special training, and has several years of work and to be in the same business coaching experience. New college graduates graduate will take into the project.

3.6 Citigroup's One Hundred Years in China

Held in Shanghai in 2002, in the bank Citigroup China one hundred celebration dinner party, there are a group of special guests. The youngest of them have been more than 70 years, the oldest has been over 98 years old. But they all are mentally alert, can speak a pure and fluent American English. (Luo, X., & Bhattacharya, C. B., 2009)

They became the stars of the party. From the headquarters of the bank's top leaders, including Citigroup CEO Sandy Weill, rushed to toast to the old people frequently.

Who are they? Why do they receive respect of Citigroup executives. It turns out that they are Citibank Shanghai branch veteran employees, in the period 1920-1945 in Citibank Shanghai branch office staff. Now, they have become Citibank Shanghai branch's grand old men. They are Citibank in Shanghai and even in the history of the development of Citibank China's one-hundred-year witnesses!

As Citibank China's veteran workers, they used to decades, on Citibank Shanghai branch of different post dedicated dedication for their wisdom and sweat, to Shanghai branch and Citigroup global business to lay a good foundation. Citibank will not forget their attaches importance to talents, early at the beginning of the reform and opening up, the bank is trying to look for the where abouts of this batch of Citibank's predecessors. Take some kind of energy and time, Citibank China finally found them. Later, in the big banquets Citibank China will invite them, not regularly organize some healthy activities for the old people. Perhaps, Citigroup has the essence of Chinese culture. Citibank admits to all employees who work for Citibank for more than 25 years that Citibank will honor them certificates, in order to show respect for the old Citibank Shanghai branch, and set an example for new staff.

America's Citigroup was formally established in 1901, the headquarters located in New York, then get the registered capital of \$3 million in the United States. Just a year later, on January 1, 1902, Citibank Shanghai branch was established. Citibank's Shanghai branch is set up as the first branch abroad, is the bank operating the first branch overseas in Asia. In Shanghai, China at that time, the local people called it "Flower Flag Bank---the Bank". The name has been reserved so far, and is now Citigroup's official Chinese name.

3.7 Create "Citigroup's" Work Environment

Citigroup's efforts are to create a work environment: Here, different personality is hug and praised, people can be inspired dedication of all their wisdom.

Therefore, Citigroup employees network is established officially, and Citigroup provides employees with their BBS, focusing on the employee's interest and enhance their professional growth. Network for all employees and employees, to establish diversified awareness and support the company's business objectives, such as recruiting excellent talents,

to identify market opportunities, etc. Today, Citigroup's internal organization has been established for many employees. Citigroup global diversification office often inspect these organizations, and provide them with guidance and support. Citigroup's formal recognition exists in network group in various health employees in the company. Citibank has a variety of employee organization and network, focusing on different areas respectively, including gays and lesbians organization, women organization, working parents organization and so on. In recent years, other groups have also been built up. These organizations and groups promote the Citibank's network construction and education cognition, and help the company make innovations and developments in the recruitment and marketing. (Porter, M., & Kramer, M., 2006)

4. Experience and Enlightenment

Citigroup internationalization development goal is to be a global financial services bank, its development mode and management concept have a very big difference from HSBC, its advanced technology management experience and failure lessons are worthy of our learning and thinking.

First, the bank adheres to the balanced development of the domestic business and international expansion strategy. First through mergers and acquisitions of domestic commercial banks, Citibank realize integrated management and scale. In advantage position to establish and consolidate the domestic financial market, on the basis of technology management advantages Citibank focuses on expanding the financial markets of developed countries, the domestic advantage business is copied and promoted, to provide one-stop service around the world.

Second, Citigroup, relying on technology advantage, promotes the internationalization of product innovation development. Citibank through the use of advanced science and technology strength, maintains industry leading position, and set up the data center in six large areas in the whole world. In terms of software development, Citibank has the world's most advanced global communications network, investing billions of dollars a year for research and development of new products.

Third, the internationalization of Citigroup implements different strategies. According to the different countries' financial market development degrees, Citibank provide different financial products. For European and Japanese financial markets, the key is to expand investment banking, asset management and financial derivatives services; For emerging markets in Asia Pacific, Citibank focus on expanding bond custody, private banking and retail wholesale business; For the Middle East and African markets, the main business are short-term financing, international settlement and offshore financial business.

Fourth, Citigroup attaches great importance to brand managements and the talent team construction. Citibank set up training centers in six large areas in the whole world, emphasis on Citigroup's corporate culture and training of technical management personnel. Citigroup owns the world's leading management and product innovation, the enterprise philosophy of people-oriented attracted numerous financial and technical personnel. Before the globalization management, Citigroup had already paid much attention to the brand image, make "Citibank" brand reputation is deeply rooted in the hearts of the people. This provides a good external condition for the Citigroup's global management.

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