

From reaction to action – responsiveness and business resilience in a pandemic

The road to recovery for banks

The short-term reaction: the pursuit of daily liquidity

In the early stages of Covid-19, firms focused on:

Invoking business continuity plans

to ensure continuity and safe execution of operations

Shoring up liquidity

to meet client and regulatory commitments

Facilitating funds mobility

to ensure continued safe operation of the financial ecosystem

Locking-in the lockdown lessons – measures for the medium term

As institutional treasury and risk functions transition into a more stable environment, HSBC is collaborating with clients to share best practices and help to embed key lessons learnt in the initial response phase of Covid-19.

Find the weakest link

Conduct a Vulnerabilities Assessment to identify and assess areas of risk revealed in the early stages of Covid-19

Bolster the BCP

Update / enhance business and bank continuity plans to create a rigorous operational framework reflecting the firm's capacity, capabilities and risk appetite

Know your counterparty

Build a Correspondent / Counterparty Review Framework to assess partners' commitment, as well as financial and operational robustness

Build your game plan

Create or revise an Asset & Liability Counter-measure Playbook to define response frameworks across a variety of stress scenarios

From insights to foresight

Employ automation to gain a more detailed, real-time view of liquidity to improve forecasting and decision-making

Resilience and looking to the longer-term

The pandemic has strengthened the business case for digitisation, particularly as part of business continuity planning.



Digitisation will enhance:

- Operational risk management
- Operational agility
- Cybersecurity
- Fraud and risk analytics
- Accessibility and transparency of information

Looking back to move forward – support in a rapidly changing world

For long-term fiscal and operational health:



Stay alert

Remain vigilant and aware of changing market and client needs



Continue to digitise

Build on technology solutions to keep liquidity flowing through the financial system



Picking the right partner

Ensure operational structures and banking relationships stand up in testing times

For more details on how banks can build resilience to withstand events such as Covid-19, read our report: 'From reaction to action – responsiveness and business resilience in a pandemic' or talk to your HSBC Relationship Manager