

# Sashidhar Jagdishan's strategic leadership at HDFC Bank recognised in Asia Pacific

5 min read



By Foo Boon Ping

*Sashidhar Jagdishan, managing director and CEO of HDFC Bank, received the Bank CEO of the Year in Asia Pacific award for 2024, acknowledging his resilient leadership in driving digital transformation, expanding banking access, and integrating sustainability.*

At a recent meeting in Mumbai, Sashidhar Jagdishan, managing director and CEO of HDFC Bank, was recognised with the Bank CEO of the Year in Asia Pacific award for 2024. This accolade reflects his strategic leadership, especially in overcoming significant challenges, transforming HDFC Bank into a more innovative, inclusive, and sustainable institution. In a career spanning over 31 years, of which he has spent 28 years at HDFC Bank, Jagdishan has been instrumental in steering the bank through periods of change and growth.

## Leading through adversity and strategic transformation

Jagdishan stepped into the role of MD and CEO of HDFC Bank in October 2020, a time marked by the global pandemic's uncertainty and disruption. Drawing on his deep understanding of HDFC Bank's operations and culture, he led the bank through this challenging period. His leadership ensured operational resilience and sustained customer service amid rapidly changing circumstances.

An important landmark achievement during his tenure was the merger of erstwhile HDFC Limited, one of the largest mortgage finance companies with over 45 years of presence in the country, into HDFC Bank in 2023. This move wasn't merely a consolidation of assets; it was a strategic integration designed to provide a seamless customer experience. Despite the complexity of executing such a merger during uncertain times, the initiative significantly enhanced HDFC Bank's market capitalisation to over INR 12 trillion (\$154 billion) post-merger, placing it among the world's leading financial institutions.

The current value of HDFC Bank, reinforces its position as one of the most valuable banks globally. With a market capitalisation of over INR 13 trillion (\$154.8 billion) as of 30 September 2024, the bank seems well positioned to serve the needs of a country that's one of the world's leading economies and growing. This valuation reflects not just the bank's financial performance but also its strategic direction and ability to adapt to the evolving banking landscape.

“The merger has presented the bank with a massive opportunity which we're working to seize,” Jagdishan stated in a shareholder communication. India is experiencing unprecedented urbanisation, along with rising incomes and aspirations. With housing demand in India projected to grow multifold, the home loan portfolio becomes particularly significant. The merger has opened up fresh vistas for growth through the mortgage business, not only through an increase in home loan disbursements but also by potentially leveraging cross-sell opportunities across the HDFC Bank Group.

## **Digital transformation and AI integration**

HDFC Bank's digital transformation journey has been a focus area for Jagdishan. This includes the role of artificial intelligence (AI) in enhancing banking operations and customer experience. The bank is giving due importance to integrating AI into the bank's core systems to drive efficiency and offer personalised services. AI is a key

enabler for the bank which uses AI for predictive analytics, customer service automation, and risk management.

The bank's AI-driven solutions have helped streamline customer interactions, ensuring a seamless digital experience. By using AI to analyse customer behaviour and preferences, HDFC Bank can tailor its products and services to meet individual needs more effectively, apart from deploying AI in risk management, using advanced algorithms to detect and mitigate potential fraud as well as operational risks.

### **Advancing digital transformation and building resilience**

HDFC Bank has had to disrupt itself to stay ahead in the rapidly evolving digital banking landscape. The bank is today in the midst of a technology transformation exercise that focuses on both building the bank of the future as well as running its operations. Jagdishan states that for him, the focus on technology upgrade and digital transformation are central to achieving growth as well as excellence in customer service. He has stated in his shareholder communication that the focus on upgrading the bank's infrastructure with an Active-Active architecture for greater availabilities and high-performance apps, and the 'Hollowing the Core' programme were key steps in this process. These initiatives aimed to modernise the bank's digital infrastructure, moving away from a traditional monolithic system to a more flexible, microservices-based architecture.

The adoption of cloud technology was a significant milestone, enabling the bank to improve operational resilience and provide faster, more reliable services to customers. By integrating application programming interface (API)-driven strategies, the bank has been able to expand its digital ecosystem, positioning itself as a leader in the digital banking space.

### **Expanding reach and financial inclusion**

In addition to the digital transformation, the bank's expansion into semi-urban and rural areas is a strategic one given the geographic and demographic diversity of India.

Under Jagdishan's leadership, HDFC Bank grew its branch network from 5,430 to 8,851 as of 30 June 2024, with a significant focus on regions that had previously been underserved. This expansion was part of a broader strategy to enhance financial inclusion and taking banking services to communities that had limited access. With a

large network of physical branches, the majority of transactions are digital. “These phygital branches are our investments,” said Jagdishan.

This approach was not just about expanding the bank's footprint but also creating a more inclusive banking experience that integrates financial literacy and sustainable practices. By doing so, HDFC Bank aims to empower these communities, enabling them to participate more fully in the financial system.

### **Commitment to sustainability and social impact**

Jagdishan's leadership has also been marked by a strong focus on sustainability and ESG integration. Through the bank's CSR initiatives under the 'Parivartan' programme, Jagdishan in a shareholder communication earlier this year, spoke of having impacted the lives of over 100 million people. “From upskilling farmers on scientific cropping patterns, providing placement-linked training and mentoring of entrepreneurs, to supporting start-ups through incubators, our consistent efforts have been to create an inclusive society. Providing livelihood opportunities remains at the core of all our initiatives,” said Jagdishan.

These efforts reflect a holistic approach to banking, ensuring that growth is not only about financial performance but also about contributing to the environment and social well-being of the communities HDFC Bank serves. By promoting sustainable practices and supporting the livelihoods of millions, the bank is setting an example of how financial institutions can drive meaningful change.

### **Recognising leadership beyond expectations**

Jagdishan's achievements stand alongside those of other industry leaders, including Brian Moynihan, CEO of Bank of America, who was named Global Bank CEO of the Year for his emphasis on financial innovations, sustainable finance and responsible growth. Moynihan's approach has guided Bank of America towards addressing global challenges through innovative financial solutions. Tay Ah Lek of Public Bank Malaysia was honoured with the William Bill Seidman Lifetime Achievement Award, reflecting his dedication to building a bank known for stability and customer service.

### **Resilient and forward-looking leadership**

Jagdishan's leadership at HDFC Bank is a testament to the power of resilience, strategic vision, and forward-thinking in banking. His focus on technology upgrade,

digital transformation, superior customer service, nurturing an inclusive culture, and commitment to sustainability sets a high standard for the industry. His ability to guide the bank through complex challenges while driving innovation, illustrates how banks can adapt to change and lead in creating a more inclusive financial system.

In a rapidly evolving financial landscape, Jagdishan's work at HDFC Bank serves as a guide for how institutions can overcome adversity and thrive. By prudent investment in technology, expanding branch network, and a firm commitment to responsible practices, he demonstrates how banking leadership can make a significant difference, shaping a more inclusive and sustainable future for the industry.