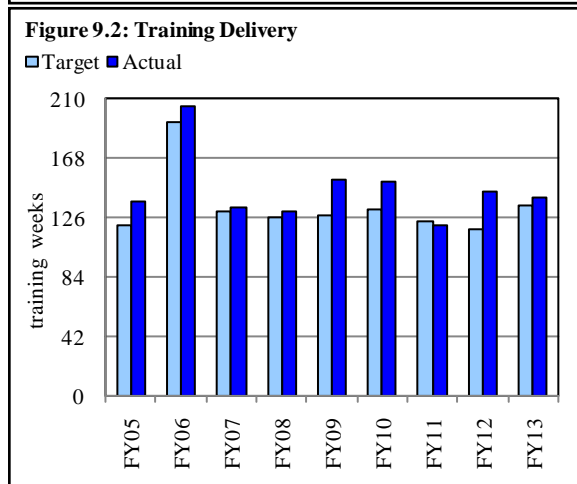
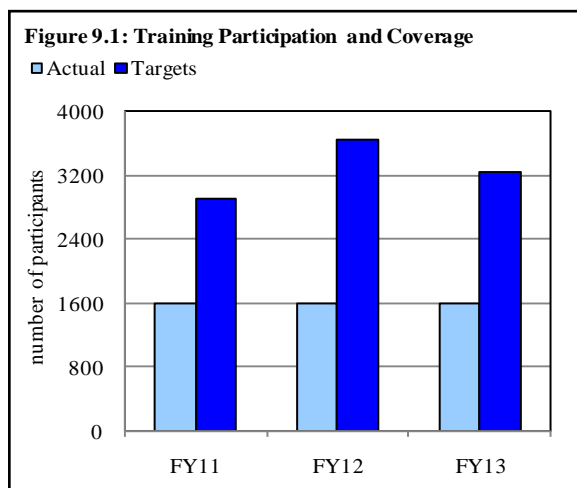


# 9 National Institute of Banking and Finance (NIBAF)

## 9.1 Overview

National Institute of Banking and Finance (NIBAF), being the training arm of State Bank of Pakistan, continued to play its role effectively in the development of human capital of the Bank, its subsidiaries, and other financial institutions (both local as well as regional). With a view to transform NIBAF as a leading center of research and academic excellence in the region, the Institute offered a variety of programmes to the banking and financial sector by delivering 140 weeks of training to its valuable stakeholders in different areas. A wide range of 3229 participants - local as well as foreign - benefitted during the FY13 (**Figure 9.1**). During the year, NIBAF delivered 140 training weeks against its plan of 134.4 weeks (**Figure 9.2**). As part of priority for SBP and SBP-BSC, the Institute launched some new programmes to instill skills which are critical for job competency and to enhance managerial capacities of staff. These included officers development programme, demystifying decision making, leveraging managerial skills for performance; besides function specific programmes like deferred taxation, treasury operations-advanced, latest auditing techniques, oracle as supervisory tool, interviewing techniques and industrial management etc.

Moreover, the course contents of the pre-induction programmes<sup>1</sup> were thoroughly reviewed and revisited to equip new inductees with the latest techniques required at entry level<sup>2</sup> while ensuring focus and relevancy. Apart from rigorous class room trainings; study tours to financial institutions combined with project assignments, roles playing, teams building exercises and problems solving were also carried out. These activities further add value to the learning and development mainly by encouraging teamwork and synergizing group dynamics required for professional growth. In addition; training in specialized areas including agri/rural finance, SME, microfinance, and Islamic Banking continued to be part of NIBAF's priority to promote SBP development finance agenda besides meeting growing requirements (of the financial sector of Pakistan) of trained human resources.



<sup>1</sup> The 'State Bank Officials Training Scheme (SBPOT)' for SBP and 'Young Professionals Induction Programme (YPIP)' for SBP-BSC.

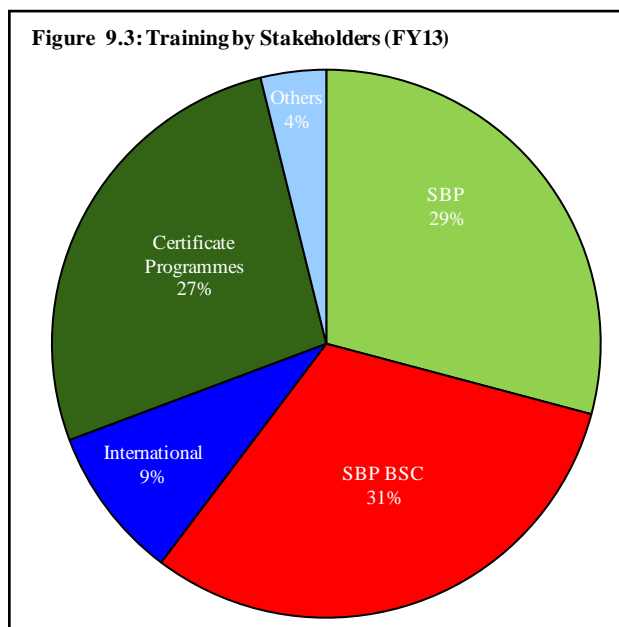
<sup>2</sup> Like office management, exposure to IT, and soft skills.

Meanwhile NIBAF continued to offer regional programmes; it successfully organized ‘Banking Leadership’ programme for Afghanistan International Bank apart from arranging a workshop on ‘Regulatory Framework and Project Financing’ for the senior management of Pak China Investment Company.

Besides enhancing the quality of programmes through effective training delivery, we also improved the ambiance of the Institute through creating an environment conducive for learning and development as envisioned under the ‘New Concept Note’ of NIBAF.

Of the total training delivered, the share of SBP was at 29 percent (40.8 weeks), SBP-BSC at 31 percent (43.6 weeks), international training programmes at 9 percent ( 12.6 weeks), certificate training/programmes at 27 percent (37.6 weeks), and training programmes for other financial institutions at 4 percent (5.4 weeks) during FY13 (**Figure 9.3**).

Other major initiatives included inroads for collaborations with different research & academic organizations including IRTI-Islamic Development Bank, successful conducting of research study “Who is the “Arthi”: Understanding the Commission Agent’s Role in the Agriculture Supply Chain jointly with Pakistan Microfinance Network.



## 9.2 Training Delivery at NIBAF

### 9.2.1 State Bank of Pakistan

Successful attainment of SBP’s strategic goals critically hinges upon the capacity of its human resource to deliver. NIBAF continued to implement and improve upon its role as the training arm of the SBP. In this direction, we undertook various training and development interventions during FY13 with strong emphasis to enhance the knowledge base and skill-set of SBP employees. We paid attention both to the re-crafting of skills-up-gradation modules and revision of the pre-induction SBOTS curriculum.

A total of 40.8 weeks of training was delivered to the SBP officers. Of this, 20.8 weeks training of skill up-gradation was delivered to 676 officers; while, 20 weeks pre-induction training was delivered which included 16 weeks spill over of SBOTS-17, and 4 weeks of SBOTS-18. In order to upgrade skill-set and managerial capacity of SBP officers, a number of new programmes were launched on upgrading Managerial Skills, Problem Solving and Decision Making. Efforts were made to equip the trainees of necessary tools while building on concepts thus to join new assignments and shoulder future responsibilities in SBP in an effective manner. NIBAF engaged best ‘management and soft skills’ trainers and always ensured that the programme is highly interactive/participative.

### **9.2.2 SBP-BSC (Bank)**

NIBAF has been proactive in playing its role during the transformational process of change in SBP-BSC. The Institute contributed in human resource development and capacity building endeavours of the Corporation mainly by training young professionals, to deliver on its important functions in efficient manner. During FY13, NIBAF successfully conducted the YPIP, Junior Officers Training Programme (JOTP) and Management Apprenticeship Attachment Programme (MAAP). The course contents of these pre-induction programmes were carefully crafted while working closely with TDD and PMD of SBP-BSC. Of the total training programme delivered at NIBAF, SBP-BSC was the largest beneficiary during FY13, with a share of 31 percent or 43.6 weeks. 32.8 weeks' training was delivered at NIBAF Islamabad whereas 10.8 weeks' training was delivered at NIBAF Karachi. Overall, 1,315 officers from SBP-BSC benefited from these training sessions. A number of new programmes under 'skills up gradation' were launched during the year. This included Oracle & Globus Lab based 'sharpening operational skills' programmes to enhance service delivery standards and to increase efficiency of the employees of the Corporation.

### **9.2.3 Training Programme for Afghanistan International Bank**

Under institutional arrangements with Afghanistan International Bank (AIB), NIBAF delivered 8 weeks training programme during March – May 2013, exclusively designed & developed for senior team leaders heading various important departments at AIB. The programme aimed at accelerating the management as well as the banking knowledge and competencies by focusing on managerial and leadership qualities of the participants. The objective was to enabling them to perform their functional responsibilities better. The training was designed by combining theoretical and applied knowledge in the areas of communication skills, managerial & leadership development, risk management, and commercial banking. As part of providing hands-on experience and exposure, one week attachment programme was also arranged with HBL regional office (Lahore), apart from visiting various commercial banks, and NIFT.

### **9.2.4 A Course for Senior Management of Pak China Investment Company**

A five days training on Regulatory Framework and Project Financing for the senior management of Pak China Investment Company Limited (PCICL) was organized at NIBAF, Islamabad. The programme encompassed topics of credit and documentation, liability management, KYC & AML regulations, regulatory framework, prudential regulations, credit risk management, and compliance; besides project financing and its feasibility analysis. In the program, 11 senior officers, including foreigners, participated. PCICL is a joint venture of Ministry of Finance, Government of Pakistan and China Development Bank (Peoples' Republic of China). The management of the company has shown keen interest in capacity building of the employees of the company and approached the Institute for arranging more training programs.

### **9.2.5 Written and Verbal Communication Skills Programmes with IBA, Karachi**

In response to an excellent feedback received for the communication skills programme with IBA, Karachi offered last year, NIBAF continued to offer the same programme during FY13, with some modification in its content. Four programmes were offered, one in each quarter, covering major areas in verbal and writing communication skills. 80 participants joined the programmes. The two year intervention to enhance communication skills culminated with the offering of last programme in June 2013. Based on the overall assessment of these programmes, new programmes with focus on English comprehension would be considered for coming years.

### **9.2.6 Certification Courses**

Being training arm of the central bank of the country, NIBAF also offered certificate courses to the officers from SBP, SBP-BSC and commercial banks in the areas of Islamic banking, microfinance, SME finance, and agri/rural finance etc.

#### ***Islamic Banking Certificate Programme***

With rapidly growth of Islamic banking industry and demand for the qualified and trained Islamic bankers in the country, NIBAF continued to offer its flagship Islamic Banking Certificate Course (IBCC) to the officers of banks and other financial institutions. We organised the 24<sup>th</sup> and 25<sup>th</sup> iterations of IBCC during FY13. These were attended by 60 participants, including 24 from BID of SBP. Further, in collaboration with IBD of SBP, NIBAF also offered the Fundamentals of Islamic Banking Operations programme to cater the growing demand from banking sector by conducting 3 iterations of one week each at Hyderabad, Peshawar and Quetta. Meanwhile, as part of the cooperation, necessary support was extended to INCEIF - Global University in Islamic Finance, by conducting the “Chartered Islamic Finance Professionals” Part I and Part II examinations that were held at NIBAF Islamabad and Karachi during FY13. With a view to expand the outreach of Islamic banking and join hands with strategic partners, NIBAF and IRTI (IDB) inked a memorandum of understanding, and under the arrangements a Training of Trainers programme was organised for delegates from Turkey, Iran, Bangladesh, Maldives, and Pakistan.

#### ***Microfinance Grass Root Level Training Programme***

NIBAF conducted Microfinance Grass Root Training Programmes during FY13; to cope with the capacity building requirements and helped expanding horizon and scope of financial services. Under this project, 20 iterations were offered at Muzaffarabad (2 iterations), Kasur, Nowshera, Hyderabad (2 iterations), Rahim Yar Khan, Mingora, Islamabad, Sukkur, Sialkot, Faisalabad, D. G. Khan, Sahiwal, Lahore (2 iterations), Peshawar, Karachi, Multan and Quetta.

#### ***SME Finance Grass Root Cluster Training Programme***

During FY13, three workshops regarding SME Finance Grass Root Cluster Training Programme were delivered at Faisalabad, Hyderabad and Quetta. Credit/Loan officers of commercial banks were targeted to aim at expanding the horizon and scope of SME finance in the country as one of the objectives.

#### ***Batch Training Programme for Agri Credit Officers of Commercial/Microfinance Banks***

Another important intervention was the successful launching of the Batch Training Programme jointly with AC&MFD of SBP; in the area of agri/rural finance to cope to the capacity building needs of the Agri Credit Officers of commercial/microfinance banks. The programme aimed to sensitize the target group on the changing dynamics of agriculture sector, particularly the innovations in agricultural financial products. It helped to enrich target group knowledge/understanding on the fundamentals of agri finance policy & regulatory framework, documentation, risk management, latest initiatives taken by SBP apart from exposure to the best agri lending practices of the world. During FY13, NIBAF delivered 3 iterations of the programme at Multan, Faisalabad and Hyderabad. It is important to mention that the programme has received a very positive response from the commercial banks in terms of nominations & participation in the programme.

### **9.3 Others Training Programmes/Courses**

#### **9.3.1 Management and Leadership Programmes-New Initiatives**

During FY13, NIBAF as part of new developmental initiatives, designed and delivered various programmes covering key areas in managerial skills and leadership development. A 3-days

customised SBP Officers Development Programme was designed in collaboration with HRD-SBP and was offered twice in FY13. It was well received by the participants of both SBP and SBP-BSC. The programme covered important topics such as professional etiquettes, SBP HR regulations, Time and Stress Management, Team Building etc.

Similarly, realising the need to improve decision making and problem solving skills for SBP staff, a new 2-days programme on ‘Demystifying Problem Solving and Decision Making’ was offered to SBP officers. The programme imparted state-of-the-art training in contemporary decision making models and enhanced the capacity of officers in solving problems both at an individual as well as at team level.

Furthermore, to cater to the need of improving key managerial skills of SBP officers, a 3-days new programme - Leveraging Managerial Skills for Performance - was designed and delivered which was attended by SBP and SBP-BSC participants. The key focus of the programme was to leverage managerial skills such as motivation, people management, team dynamics etc. to enhance performance of staff at the departmental level.

An important aspect of the management programmes conducted in FY13 was the fact that some of the programmes were offered outside SBP premises as an experiment. It was highly appreciated by SBP staff. In future, the practice of conducting a few programmes outside SBP will continue, providing diversity and exposure to the participants.

Leadership plays an important role in improving the effectiveness of the organisations. Developing leadership skills requires time and concerted efforts on the part of the organisation to continue to invest in enhancing human capabilities. NIBAF in FY13 worked with various top leadership training providers to design a tailored programme for SBP. More specifically, Leadership Grid International USA was contacted to offer a 4 day Leadership Grid programme to SBP and SBP-BSC top management. All aspects of the programme were carefully crafted to ensure rigour and effectiveness. The programme is expected to be offered in FY14.

### **9.3.2 Bank of Azad Jammu and Kashmir (BAJK) MTOs Training Programme (Batch-1)**

NIBAF conducted a 4-Week programme for newly inducted MTOs of Bank of Azad Jammu and Kashmir (BAJK), to impart training on core areas related to general banking and commercial banking with focus on banking and financing laws/regulations.

### **9.3.3 Training Programmes for Baluchistan and Punjab Provincial Governments**

A 2-day programme on Monitoring and Evaluation of Development Project was designed and delivered during FY13 for 12 senior officials from the Baluchistan Government. Further, NIBAF arranged another 3-day training programme on “Sustainability Issues in Poverty Reduction” during the year for the capacity building of Baluchistan and Punjab Governments Officials. A total of twenty senior officials from Baluchistan and Punjab Governments participated in this programme.

### **9.3.4 International Conference on the Power of Entrepreneurship**

NIBAF arranged an international Conference, in collaboration with Ozair A. Hanafi School of Learning on ‘The Power of Entrepreneurship’ which attracted about 150 local and foreign delegates. Renowned scholars/academicians and business community members attended the conference.