

6 Institutional Strengthening

6.1 Strategic Planning at SBP

In the backdrop of emerging economic challenges, SBP launched its third 5-year strategic plan i.e., “SBP Vision 2020” in August 2015 to effectively pursue an explicit plan to achieve its underlying objectives. Three years of SBP Vision 2020 have passed and significant achievements have been made in line with the strategic goals.

SBP Vision 2020 consists of medium and long-term strategic goals, tactical objectives, priorities and key performance indicators along with the defined strategy for pursuing the plan. To achieve these goals and objectives, Business Planning tool has been utilized to segregate the targets on a periodical basis for optimizing potential of the organization contemplated in the strategic plan. A comprehensive implementation and monitoring mechanism has also been designed to ensure effective implementation of the strategic plan. For effective pursuance of the strategic plan, Strategic Plan Steering Committee comprising senior management was formed to oversee the implementation and monitoring of SBP Vision 2020.

6.2 HR Developments

SBP delivers on multiple and often competing objectives in the national interest to ensure monetary and financial stability and sustainable economic development. Requisite institutional capacity in the form of optimal professional talent is critical for SBP in undertaking its unique and critical role in the economic development of the country. Human Resources Department (HRD) of SBP fosters a robust and futuristic HR management framework that strives to promote a performance-oriented culture and creates an enabling environment for employees to contribute towards achievement of organizational objectives.

The year 2018 witnessed major initiatives in the areas of workforce rationalization, talent resourcing, promotions, capacity building and automation. HRD made significant progress on upgradation of employees’ competencies and skills to support professionalism and ensure delivery of effective and efficient outcomes at every level.

6.2.1 HR Profile

Human resource strength varied across grades, which is reflected at **Table 6.1**.

The employee turnover against a total population of 1,199 is recorded at 1 percent. Although a higher trend was observed in terms of retirements (including early retirements), the management successfully managed to optimize human resource requirements by induction of new employees, particularly through batch hiring. As an equal opportunity employer, SBP consciously seeks diversity in terms of education, geographical representation and gender. SBP recognizes and encourages the evolving role of women and the strategic significance of

Table 6.1: HR Profile of SBP

Position/ Grade	FY17	FY18
Governor / Deputy Governors	2	3
OG-8	13	14
OG-7	33	37
OG-6	58	51
OG-5	113	122
OG-4	227	232
OG-3	321	297
OG-2	296	335
OG-1	36	22
Support Staff	104	75
Contractual Employees	6	11
Total	1,209	1,199

their inclusion in workforce for achieving organizational objectives. Female participation constitutes 11 percent of the total strength, at junior, middle management and senior positions.

6.2.2 Restructuring and Consolidation of Functions

During FY18, organizational structure of SBP was re-aligned with evolving organizational needs to ensure continued smooth functioning, as detailed below:

- The Banking Policy & Regulations Group (BPRG), Banking Supervision Group (BSG) and the Financial Markets & Reserve Management (FMRM) Group were brought under Banking and FMRM Cluster.
- Payment System Department (PSD) was made part of BPRG in congruence with the strategic direction of the organization.
- The position of Chief Information Officer was created to supervise Information Technology (IT) departments to synchronize the functions with operational structure.
- An additional Division namely ‘World Bank Group Project’ was created in the Agricultural Credit & Micro finance Department to implement the National Financial Inclusion Strategy in a seamless manner for promotion of financial literacy, streamlining and promoting access to simple, low-cost and innovative ADCs for financial services in agriculture, SMEs and micro finance. The strategy aims to enhance access to formal financial system to 50 percent of the adult population by 2020.
- A dedicated project office, namely Program Management Division was created in PSD for development of key national payment system infrastructures in the country.
- Various functions of the Research Department were streamlined to enhance collaboration on research related activities.

Talent Resourcing

Selection of right people for the job is the first step towards developing an efficient institution. It is ensured that the recruitment process at SBP remains highly competitive, transparent and merit-based. As a result of this focused approach, SBP is able to attract talent at various levels in the fields of Economics, Finance, Business Administration and other relevant disciplines. During FY18, SBP successfully completed 16 recruitment drives to equip the Bank with the best talent at entry, middle and senior echelons. 85 graduates were recruited through Batch Hiring under the State Bank Officers Training Scheme (SBOTS) and Statistical Officers Training Scheme (SOTS). Additionally, 25 professionals were appointed through lateral hiring in specialized areas of the Bank. The grade-wise recruitment made during FY18 is detailed in **Table 6.2**.

Grade and Designation	Numbers
OG-2	
Assistant Directors	73
Database Administrator	1
Legal Officers	3
Statistical Officers	12
Web/Graphics Designer	1
Content Producer	1
OG-3	
Database Administrator	1
Law Officers	3
Deputy Directors	5
OG-4	
Web Content Editor	1
Joint Director	1
OG-5	
Senior Joint Director	1
OG-7	
Director	1
Contractual Hiring	
Legal Advisor	1
Chief Legal Advisor	1
Research Economists	2
Archive Assistants	2
Grand Total	110

Employer Branding

The Bank has taken several initiatives to promote SBP as an ‘employer of choice’ for young graduates as well as for senior professionals. The annual internship program is organized every summer and regular visits of Business Schools and Public Sector Organizations are also arranged at SBP. During FY18, 92 interns from domestic as well as foreign educational institutions participated in the SBP Summer Internship program.

Moreover, to achieve greater outreach and prominence, job advertisements for various positions were also posted on social media platforms, including the official Twitter and the recently launched Facebook accounts of SBP.

Career Development

SBP believes that enhancement of organizational efficiency and effectiveness is directly linked with the overall morale and motivation of employees. Providing career development opportunities plays a pivotal role in this regard. Accordingly, keeping in view the organizational requirements, 135 officers were promoted in various grades during the year. Detail is presented at **Table 6.3**.

Capacity Building

SBP being a knowledge based organization, has extensive focus on training and development to ensure that the skills mix of HR remains compatible and responsive to industry dynamics. SBP also strives to ensure leadership development and effective grooming of line managers to facilitate capacity building. Thus, training has been an important aspect of the strategy adopted by the Bank to enhance the quality of its human resource base. Indeed, continued emphasis

Promotion to Grade	No. of Officers
OG-8	1
OG-7	7
OG-6	4
OG-5	18
OG-4	27
OG-3	38
OG-2	28
OG-1	12
Total	135

on learning and development has played a vital role towards successful accomplishment of SBP’s mandate. By providing employees with opportunities for acquisition and enhancement of skills, linking the learning process with results and making learning an inherent part of the Performance Management System, SBP has transformed training into a requirement of preference, rather than compulsion.

During FY18, multiple iterations of in-house training programs on topics pertaining to soft skills including interpersonal skills, team building, SBP values, emotional intelligence and other related topics were conducted in collaboration with NIBAF based on Training Need Assessment conducted in FY17. For mid-to-senior level officers, training programs focusing on leadership development, change management and strategic thinking, facilitated by market renowned trainers, were offered.

The in-house and domestic training programs were supplemented with foreign training. As a central bank, SBP has access to international training programs offered by multilateral agencies and other central banks. SBP officers are routinely sent on such training programs and seminars to reputed supervisory agencies and central banks to enhance their knowledge base about global developments relevant to their assignments. Most of the foreign trainings were fully/ partially funded. Accordingly, 203 officers attended foreign training programs as mention in **Table 6.4**.

Table 6.4: Foreign Trainings/ Seminars

Organization	No. of Officers
International Monetary Fund	40
Deutsche Bundesbank	13
Federal Reserve Bank of New York	10
Bank Negara, Malaysia	4
SEACEN Centre	5
Bank of England – CCBS	2
Financial Stability Institute – Bank of International Settlements	7
Study Centre of Gerzensee	1
Asian Development Bank	2
World Bank Group	5
Others	114
Total	203

6.2.3 Adoption of Protection against Harassment of Women at the Workplace Act, 2010

SBP offers a congenial and dignified work environment to its employees. Under Section 3 of the “Protection against Harassment of Women at Workplace Act, 2010”, SBP constituted two separate Inquiry Committees for officers and clerical/ non-clerical staff respectively. Additionally, the Act and Code of Conduct have been placed on SBP’s Electronic Notice Board for ready reference and the Code of Conduct has been displayed within SBP premises. Further, to instill awareness on the issue of harassment in line with the injunctions of the Act, regular awareness sessions are being held at SBP.

6.2.4 HR Automation Initiatives

Technological upgradation is of paramount importance to SBP to remain cognizant of the rapid developments taking place in information and communication. Thus, technology has been used as a means to improve service delivery standards and enhance efficiency by automating various functions of HR modules including recruitment, advances and pension.

6.2.5 Future HR Strategy

SBP firmly believes that the principal source of its strength, as an organization, is the human resource base. Accordingly, the Bank remains focused on the need to continuously invest in people, provide them right incentives to perform better and to make merit and performance the criteria for professional and career development. HRD at SBP would continue to strive to sustain a work environment wherein every employee is empowered/ provided with opportunities for professional

growth and is recognized and rewarded for the contribution made towards achievement of organizational objectives.

6.3 Strengthening IT Systems

In 2016, IT Strategy was formulated in line with SBP Vision 2020 to extend continuous support for uninterrupted operations as well as pursuing strategic objectives. Major achievements on this front were upgradation of Core Banking System Temenos T24 and the Interbank Settlement platform whereby Annual Closing of Banking and Currency Operations is being undertaken without any service interruption. The performance of IT infrastructure was enhanced in terms of its processing capacity and reliability by completing all major upgrades.

6.3.1 Enterprise IT Strategy 2016-20

In order to enhance processing capacity and sustain operational efficiency, the Enterprise IT Strategy 2016-20 identified various IT initiatives/ projects of strategic importance, which included implementation of IT Governance Framework, upgradation of Core Banking System, development of new Data center and deployment of robust Financial Market Infrastructures (NPG and MPG). Similarly, it included initiation of Knowledge Management Project, upgradation of Oracle e- Business Suite and Customized Applications and implementation of Fresh Currency Issuance System. These projects will help in ensuring deployment of state of the art robust infrastructure and implementation of next generation of systems at SBP to achieve goals of operational efficiency, resource optimization and risk management. This year the approved strategy was pursued through implementation of above-mentioned projects as per the planned timelines. The status of significant IT projects in line with Enterprise IT Strategy 2016-20 is placed below:

- **Enterprise IT Governance Framework**

The Enterprise IT Governance Framework will be implemented in a phased manner. In the first phase, development of Concept Paper for the implementation of IT Governance Framework was completed in 2017-18. This paved the scoping charter and way forward for development and implementation of an Enterprise IT Governance Framework by 2020 based on international standards to ensure alignment of Business and IT strategies, resource optimization, risk management and value delivery.

- **Micro Payment Gateway**

In order to create interoperability amongst BB service providers and promote Digital Financial Services at an affordable cost to facilitate payments under the categories of P2P, P2G and G2P, SBP and Bill & Melinda Gates Foundation (B&MGF) joined hands in 2017 for the establishment of a robust payment infrastructure at SBP based on Level One Project (L1P) principles devised by B&MGF. MPG is part of a World Bank Group funded National Payment System Program under Financial Inclusion Infrastructure Program. However, MPG component is being funded by B&MGF.

The MPG project was initiated in October 2017 and will be completed in phases till March 2020. ITS&PMD has been mandated to facilitate the Project Management Office of MPG in technical workstream of the project. The hiring of consultant firm McKinsey has been completed. The high level charter, project plan and implementation strategy has been approved. Subsequently, one of the project's implementation milestones i.e., RFI phase has been completed in June 2018, wherein technical assessment of 13 bidders has been completed. Currently, business requirements and corresponding technical requirements are being finalized.

- **Establishing New Main Data Center and strengthening Technology Infrastructure**
It is worth mentioning that during the past decade, the IT function has been successfully ensuring consistent delivery of SBP's Enterprise IT services without any major service outage from its Main and Disaster Recovery data centers. The two data centers in main building have crossed their useful life and the project of building a new Tier -3 Data Center has commenced whereby design of the Data Center has been finalized and procurement process is being initiated.

- **Knowledge Management Program**

The state of digitization of record and process work flows was conceived as one of the tactical objective under SBP Vision 2020. Accordingly, an Enterprise wide Knowledge Management Program is being implemented. The program is divided into three phases:

Phase-I: Electronic Case management and enterprise content management.

Phase-II: Identification and preservation of other knowledge assets and historical record

Phase-III: Access to and preservation of tacit knowledge

The acquisition of software platform for this project has been completed. Implementation of phase-I of the project is under progress wherein five business domains have been selected for the implementation of Digital Content Repository and Process Flow Automation. The implantation work is in progress and phase-I for FEOD is expected to be live by November, 2018.

- **Core Banking System Globus upgraded to Temenos T24**

During FY18, SBP upgraded its core banking system Globus to latest release of Temenos T24. It is an open, integrated and real-time platform. Apart from new business functionalities available in T24, additional benefits in terms of increased system performance and enhanced security capability as compared to legacy Globus system have also been realized. The two new significant functionalities in T24 include:

- Collection of taxes through ADCs. Taxpayers have now option to pay taxes through ATMs and Internet Banking around the clock. 1-Link settles collected taxes in three batches with SBP that are processed in T24 and RTGS.
- The auction of Floating Rate Government Bonds and their trading in secondary market.

6.3.2 Development of new systems in Oracle ERP Platform

SBP during the year migrated its Oracle ERP, CBA, e-CIB and DWH applications from HP Unix based server hardware platform to Intel-x86 Linux based server hardware platform. Under the umbrella of Oracle Custom Applications, e-Recruitment application was developed and implemented to replace the tedious manual processes of recruitment at SBP. The new application has facilitated prospective applicants to apply online for different job openings at SBP. A new Portal for SBP Board members was implemented for easy and secure online access to meeting papers, around the clock. Inventory Management System for Gold Vault was also implemented. Similarly, the scope of Biometric Access Control and e-Attendance system was enhanced to cover the attendance for employees of Head Office of SBP-BSC, Karachi. Further, Campus Management System (phase-I) was rolled out at NIBAF, Islamabad. Under the phase-I of the same, two modules 'Hostel Management System' and 'Accounts Receivables' were implemented at NIBAF.

6.3.3 New projects in Data warehouse

On the advice of Data Warehouse Management Committee, six data warehouse projects were implemented that contribute directly towards SBP's Strategic Goals 1, 3, 4 and 6. A brief overview of these achievements is mentioned as under:

- Quarterly Reporting Chart of Accounts (RCOA) for Micro finance Banks (MFBs) system was enhanced to incorporate amendments in prudential regulations.
- Banking Division of S&DWD compiled branch-level half yearly banking statistics on Loans, Deposits, Investments, Bills Payable and Bank's Asset & Liabilities by acquiring information compiled by banks using an obsolete software developed in FoxPro. Under this project, not only the requirements have been re-implemented on modern software platform but the information scope has also been enhanced by incorporating latest PRs on small & medium enterprises and Islamic banking. This comprehensive reporting format also takes care of district wise data requirements of IH&SMEFD on various dimensions.
- The International Standard Industry Classification of All Economic Activities (ISIC) is a United Nations industry classification system. The goal of this project was to upgrade the same from version 3.1 to 4. Accordingly, amendments in existing RCOA Annexures on Deposits distribution by category of Deposit holders (A-05) and Credit classified by category of borrowers (A-07) were also performed.
- Crop Loan Insurance Scheme was introduced by the Federal Government in 2008 to mitigate the risk of losses of farming community due to natural calamities. The government bears the cost of premium through its budgetary allocation as per policy. With this automation, the data reporting in particular and data management in general have become more efficient and productive with lesser manual work for AC&MFD.

Besides, the Old Data Warehouse Portal migration to DAP4 was also carried out. With this consolidation, the hardware, software and operational support costs have been optimized.

6.3.4 ISD Security Initiative to counter DDoS Attacks

Distributed Denial of Service (DDoS) attacks is a common cyber threat, which is being encountered at SBP Website manually with the support of telecom service providers. In order to automatically counter DDoS attacks at SBP Website, ISD Security Team with the help of ITD Hosting team acquired services of anti-DDOS Solution provider after conducting a Proof of Concept exercise.

6.3.5 Information and Cyber Security Improvements

The year witnessed major improvements in the area of information and cyber security governance within the Bank. To provide full independence, a new Office of the Chief Information Security Officer (OCISO) was established along with the appointment of CISO. The organizational structure was also revamped according to industry best practices for cyber security. In order to ensure CISO's role in management committees, permanent membership was granted in Enterprise Risk Management Committee, Management Committee on Information Technology and Business Continuity Planning Committee. Further, in order to strengthen the organization structure, Office of the CISO built its team by inducting specialized IT security resources to ensure delivery of key services and functions.

Office of the CISO arranged specialized training programs to enhance capacity of IT, Audit, and OCISO resources in cyber security. Similarly, organization-wide IT Security Policy covering the

complete IT infrastructure of SBP and its subsidiaries was devised. Moreover, OCISO led the efforts in conducting the first annual SWIFT Customer Security Control (CSP) framework and reviewed SBP's SWIFT security posture. Cross-functional teams from IT departments (ITD and ISD), IBSD and business department (TOD) worked together to complete the task and a self-attestation report was timely submitted to SWIFT. Further, to ensure monitoring of cyber threats, OCISO started monitoring critical security controls protecting SBP network and systems from different kind of cyber security threats. Based on the monitoring of data from multiple technical controls, OCISO initiated submission of monthly cyber activity reports to senior management.

In addition to independent third-party security assessments, OCISO also improved and performed multiple Software Vulnerability Assessments in IT Infrastructure to identify security vulnerabilities in software systems used in SBP and its subsidiaries. Identified vulnerabilities were shared with IT departments for mitigation and patching purposes to reduce operational risks. OCISO collected and disseminated security advisories from multiple legitimate sources including but not limited to national agencies, OEMs, etc. after thorough analysis. Technical security advisories were shared with IT departments for timely actions and end-user advisories were broadcasted bank-wide for security awareness of all employees. Further, OCISO started security awareness and training sessions for employees to reduce risk of social engineering, phishing and similar attacks. A comprehensive training program in this context is under development, which would be implemented in future.

6.4 Enterprise Risk Management

The bank attained a milestone through development and integration of Enterprise Risk Management (ERM) framework in SBP. The ERM framework has been approved by SBP Board in September 2017. The same comprises of advanced methodologies in risk assessment matrix and risk impact table, which ensures that diverse types of risks are adequately categorized in terms of their severity. Risk Control Self Assessments (RCSAs) of SBP have been formulated, extensively reviewed by Management Committee on ERM and the process of identification of Key Risk Indicators has been introduced.

To further strengthen ERM components and speed up the process of implementation of ERM in SBP and its subsidiaries, the bank has engaged specialist trainers for capacity building sessions to identify strategic risk through a top down approach and to compare the output against the risk inventory developed through a bottom up approach. In addition, capacity building sessions were also arranged in the areas of risk appetite framework, risk policy statement, key risk indicators and dashboard application.

6.4.1 Investment Risk Management

Considering the importance of independent risk monitoring mechanism and reliable risk reports in investment decision process, SBP focused its efforts on mitigation of inherent operational risks in risk quantification, reporting and compliance monitoring activities of foreign exchange reserve management portfolios. This is achieved through transformation of legacy compliance system from Globus to latest version T24. Fresh reports are designed to ensure compliance with credit limits that were not possible in previous Globus version. This has enhanced reliability of compliance reports and reduced gap in enforcement of risk policy parameters. The Bank also strived to improve the quality of risk reports through the transformation of excel based risk quantification system to industry standard risk quantification tools such as Bloomberg and Reuters. This has significantly reduced model risk and improved accuracy, validity, reliability and timeliness of risk reports. Further, the Bank has also taken a proactive approach to meet minimum requirements of IFRS 9 Compliance process. The Bank

has completed a developmental project that laid the foundation for the development of Expected Credit Loss Models for reserve management portfolios as per requirements of IFRS 9 standard.

6.5 Business Continuity Management

The function of Business Continuity Planning (BCP) at SBP has come a long way since its conceptualization. The BCP function is housed in Strategic Planning Department (SPD) of SBP. The SPD has put in place fully functional backup sites for all critical and support departments. These sites are equipped with necessary paraphernalia and facilities required to perform critical time sensitive functions of SBP and SBP-BSC. Additionally, SBP has also developed a state of the art Disaster Recovery (DR) Site as a backup for critical applications and data. These improvements have increased the resilience of the organization.

The department periodically conducts preparedness review of all the field offices and has carried out number of new initiatives, projects, assignments and result-oriented tasks to enhance resilience of the organization. The key achievements made during FY18 are summarized below:

6.5.1 BCP Committee Meetings

In order to establish controls and minimize chances of disruption of critical time sensitive functions, the Business Continuity Plan contains a governance structure in the form of various Committees, Groups, Teams and Centers. The structure defines management's role and responsibilities in the event of a disaster. The BCP Committee is an apex steering body for all BCP related functions. During FY18, the BCP Committee held three meetings to discuss various activities and the implementation of new initiatives.

6.5.2 Testing and Exercising the Business Continuity Plans

Testing organizations' BCP assesses its viability and ensures that the staff remains familiar with it; understands the escalation process as well as able to activate the recovery strategies. The BCP exercises have greatly enhanced the level of readiness of critical personnel and functions for countering crises. During FY18, the SBP and SBP-BSC departments and field offices conducted 200 exercises. These exercises were conducted successfully and duly reported in monthly reporting mechanism where performance is analyzed and line of action is determined for any unresolved issues reported during the exercise.

6.5.3 BCP Combined Staff Relocation Exercise (CSRE)

The purpose of such exercises is to achieve organizational acceptance that business continuity solution satisfies organization's recovery requirements. BCP Team not only focuses on individual departmental drills as per the Annual Testing Plan but also carries out CSREs on quarterly basis to test the stress test methodology whereby all critical time sensitive departments participate with active support of ITD to undertake a full day critical operations from Backup site. Four CSREs were conducted successfully during FY18 and one such exercise was undertaken with a surprise test scenario, which showed the awareness level of the BCP staff members of different departments. Further, to improve the uninterrupted readiness level during crisis situation, a solar power system is being installed at backup site.

6.5.4 Disaster Recovery Testing

SBP initiated work on Disaster Recovery (DR) setup in 2007 under Banking Sector Technical Assistance Project of the World Bank Group and since 2012, this setup is fully functional. IT infrastructure teams are maintaining this state of the art recovery site. Further, a comprehensive testing exercise was undertaken this year and critical systems were run from DR site.

6.5.5 Business Impact Analysis

In order to establish BCP of SBP on sound footings, a fresh Business Impact Analysis (BIA) exercise has been planned. A Concept paper was presented to the BCP Committee whereas terms of reference and EOI have been developed to initiate the exercise in FY19. Based on the advice of BCP Committee, BIA would be undertaken in coordination with the World Bank Group team to carry out the activity under reimbursable advisory service.

6.6 Risk Based Audit Function

The Bank has put in place an independent internal audit function, providing an objective assurance on the effectiveness of its governance, risk management and control processes. The Internal Audit & Compliance Department (IACD) conducts financial, operational and information technology (IT) audits of Bank's operations. The Internal Audit Charter, approved by Audit Committee of the Board, mandates the independence and authority of Internal Audit function. The Director, IACD reports functionally to Audit Committee of the Board and administratively to the Governor.

In line with SBPs' strategic direction, a number of initiatives were taken in IACD that would ultimately change the methodology for conducting audit in future. In this regard, a strategic paper was shared with the stakeholders (senior management and Audit Committee). Accordingly, criteria based audit will be carried out in which basis for assurance would be agreed by both the management and IACD. It would be a marked shift from observation-based audit. The adoption of such an approach would increase confidence of the stakeholders in audit process. Further, end-to-end audit approach was also started in phased manner. Under this approach, complete business function is audited, based on a particular criterion, which could span over multiple departments. This would provide a more focused assurance instead of departmental audits, which are generally conducted in silos.

Capacity building remained a core theme and IACD officers were sent on various trainings – both local and foreign. Further, during the year, IACD engaged an internal resource within the organization with specific reference to bringing in expertise for performing an audit engagement. The resource remained instrumental in planning exercise and development of audit programs. IACD also conducted Knowledge Sharing sessions during the year where information gained was shared for developing expertise in different areas of interest.

6.7 Legal Services Department

The Legal Services Department (LSD) has been instrumental in reviewing amendments in existing laws in order to strengthen the role of Bank as a regulator in line with international best practices. Recently, amendments were proposed in the Protection of Economic Reforms Act, 1992 which have been enacted. In addition, other laws are under review while some are already under the legislative process. Further, the LSD has also been guiding Deposit Protection Corporation for the implementation of the Deposit Protection Corporation Act, 2016.

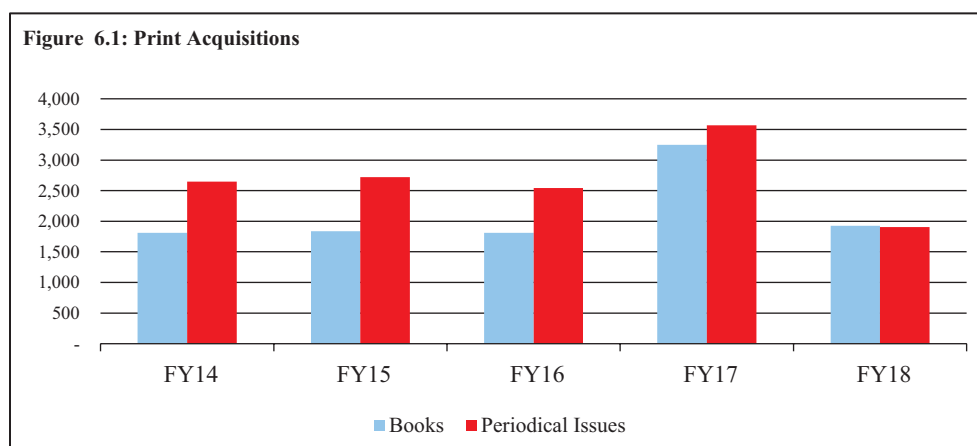
Director, LSD is a member of the Legal and Regulatory Framework Committee, which is a sub-committee of the Implementation Committee and has been tasked to review existing laws for the promotion of Islamic Banking in Pakistan. During FY18, LSD provided legal advice on 3,575 references forwarded by various departments of the Bank and its subsidiaries in order to ensure that legal risks associated with business decisions are addressed appropriately. Similarly, the department is currently managing litigation against the Bank and its subsidiaries in 554 cases, where the Bank is a direct party.

6.8 SBP Library

The Library caters to the information needs of SBP employees, the banking community and the public through provision of high quality information resources and services. Ranked amongst the most-referred libraries of the country, it serves over 5000 registered members representing SBP, commercial banks, public and private firms, insurance companies, brokerage houses, media and numerous business schools. Major accomplishments of the library during FY18 are listed below:

6.8.1 Collection Development

In order to support fresh and on-going research at SBP, a number of new resources were added to library collection in both print and electronic form. Print holdings were enriched by acquiring 1,926 new books and 1,906 periodicals. Similarly, latest updates of federal/ provincial budgets and gazettes as well as annual reports of numerous companies listed on Pakistan Stock Exchange were acquired. A comparison of the print acquisitions during the last five years is depicted in **Figure 6.1**.



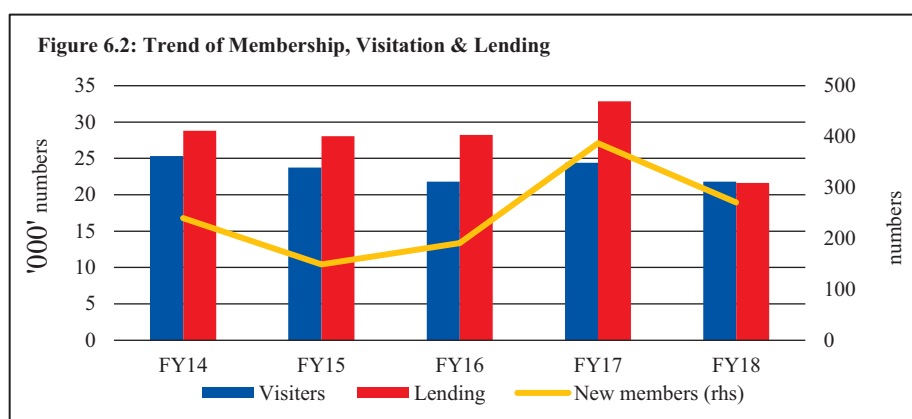
On the other hand, electronic resources were augmented with *Oxford Economics and Finance Collection* comprising of 37 e-journals with complete archiving dating back to 1996.

6.8.2 Bibliographic Management and Reference Services

For promoting effective usage of library resources, posting of monthly bulletins of *Fresh Arrivals* and *Content Alerts* on SBP website and electronic board as well as bank-wide broadcast through e-mails remained a regular feature of Library. In addition, all items were catalogued/ indexed and are available for browsing through library portal. Officials at the reference desk responded to countless reference queries and proactively provided personal assistance in literature search and library usage. Orientation tours for new inductees, internees and occasional visitors were arranged throughout the year. Over 3,442 requisitions for articles were entertained through library's *Online Document Delivery Service*. Further, full text articles/ chapter downloads reached 16,919 during FY18.

6.8.3 Visitation, Membership and Lending

During FY18, around 22,105 users visited the library, 271 new members were registered, and 21,652 books were lent to registered members (**Figure 6.2**).



6.8.4 Revamping of Library’s Physical Infrastructure

The project was aimed towards developing a modern decor, pleasant ambiance and conducive learning environment in the Library by refurbishing its physical infrastructure. Divided into two phases, the first phase included renovation of ground floor whereas renovation of first floor was targeted in second phase. So far, ground floor work related to insulation of PAVC ducts, fixation of false ceiling and installation of LED lights have been completed. Remaining work i.e., second phase would be taken up in FY19.

6.8.5 Enriching SBP Knowledge Repository

With the intention of preserving intellectual legacy of SBP, a central knowledge repository was developed for collection, storage and distribution of all sorts of knowledge objects created, generated or produced within the Bank. The repository has been made accessible within the Bank’s intranet and historical archives of SBP publications are being digitized and uploaded to repository on regular basis. A comparative summary of progress during last two years is presented in **Table 6.5**.

Library is serving its patrons in the best possible manner. It would remain committed to development of an informed society through provision of quality information services in years ahead.

Operational Areas		FY17	FY18
Procurement	Books Purchased	3,037	1,749
	Periodical issues	3,565	1,907
	Complimentarily Acquired	209	177
Technical processing	Books catalogued	3,580	2,107
	Articles indexed	6,624	3,161
Circulation (Books loaned)	The SBP employees (active and retired)	31,029	20,500
	General public	1,815	1,152
Membership	The SBP employees (active and retired)	242	147
	General public	145	124
Visitation	The SBP employees (active and retired)	19,890	16,560
	General public	4,521	5,245
Documents Downloads	Downloaded documents delivery through email	3,971	3,442
	Bank-wide article downloads through subscribed resources	15,373	16,919

6.9 Effective External Relations

SBP continued strengthening its communication to external stakeholders in FY18 and achieved several milestones. As envisaged in SBP Vision 2020, a communication strategy for its external stakeholders has been introduced wherein several activities have been identified to achieve various goals. The strategy has been designed to develop understanding of the public and gain their confidence about the role of SBP in maintaining monetary and financial stability. Further, more channels of communication have been arranged to cater to the needs of different audiences within and outside the country particularly arrangements have been emplaced to use Urdu in communication. To spread SBP messages focused on specific stakeholders, advertising campaigns were run using both traditional media, i.e., print, as well as social media platform including Facebook.

SBP enhanced its digital presence through introduction of Facebook page and a YouTube Channel, besides having a Twitter account with over 16000 followers. The official Facebook page was launched on March 23, 2018 and the number of followers on Facebook has reached over 48,434. These platforms are being increasingly used with contents specifically produced. All the information shared through these platforms is generally linked to contents on SBP website, which carries a comprehensive repository of information. More than 92,000 new unique users visited SBP website during FY18.

Traditional print media is still a dominating source of information for general public. To expand outreach through newspapers, SBP is enhancing its arrangements in its field offices spread across the country. In first phase, local media in cities including Islamabad, Lahore, Peshawar and Quetta are being provided with all SBP communications. In the next phase, the same will be expanded to rest of 16 offices.

SBP also started using social media platform to run general public awareness campaigns, like promotion of home remittances through M-Wallet scheme. Along with conventional channels of advertisements, social media provided measurable group of audience to whom message was conveyed in a borderless fashion.

Apart from Urdu translation of SBP's flagship publications, speeches and other miscellaneous content, facilities to promote Urdu usage on office computers have been arranged. An e-learning portal for using Urdu on computers has been developed. It has an Urdu typing tutorial video, a glossary of terms, and Urdu phonetic keyboard layout. In addition, a training course for using Urdu on MS Office has been devised and training is regularly imparted to SBP officers. Further, a helpline is available for those desirous to develop their skills in Urdu.

6.10 Museum, Art Gallery & Archives

The main objectives of the Museum are to (i) Preserve cultural heritage that exists in the form of the old SBP Building and the acquisitions made over the years (ii) Provide an opportunity to general public specially the younger generation to learn about SBP history, currency and coins, monetary policy and its evolving role over time (iii) Encourage development of artistic talent in the country and (iv) Establish a tradition of cultural exchange with other museums around the world.

There are eight galleries in the Museum i.e., Coin Galleries I and II, Stamp Gallery, Currency Gallery, History of State Bank Gallery, Governors Gallery, Sadequain Gallery and the Contemporary Art Gallery. The Coin Galleries I and II exhibit coins of subcontinent from 600 BC to present times. The Stamps Gallery shows evolution of stamps from 3,000 BC to present time, with a special focus on Pakistani stamps. The Currency Gallery focuses on Pakistani notes while providing information about

early paper notes and present polymer notes. History of SBP Gallery shows history of SBP from 1948, while the Governors Gallery show brief profiles of the former Governors with their portraits.

The Sadequain Art Gallery and Contemporary Art Gallery are one of the most attractive and interesting part of the Museum, displaying Sadequain's four huge Murals and collages of metal and wood. A restored large triptych by Zahoor-ul-Akhlaq, donated by philanthropist Ava Cowasjee, displayed in Contemporary Art Gallery, where temporary exhibitions of young artists are also held on non-profit basis.

Museum has an Archives section on a small scale but recently the same has been converted into Archives Division, comprising of archives of SBP and SBP-BSC. It would deal with the acquisition of archival material related to history of SBP since its establishment, its digitization, preservation and conservation. The Replica/ Modeling Section is unique since it is responsible for preparing replicas/ models as souvenirs for visitors. The objective is to replicate the antiquities for educational purposes and to discourage smuggling of the originals. Research Section deals with publication and research and its purpose is to safeguard data and encourage young researchers.

6.10.1 Visitors Flow and Souvenir Shop

As per available data, around 11,852 visits (4,282 male, 3,344 female and 4,226 children) were recorded in FY2018. A significant increase was witnessed in the number of female visitors when compared to their 2,476 visits during last year. The Souvenir shop is housing replicas of the original coins, stamps, currency and posters of the rare mural paintings of the renowned artist Sadequain. The main objective of the Souvenir Shop is to popularize cultural heritage of Pakistan and encourage the local artisanship. The Souvenir Shop of the Museum is very popular in the country as well as abroad. A significant increase in the Souvenir shop has been observed during FY18. A total sale of Rs 2.9 million was recorded on non-profit basis.

6.10.2 State Bank Museum Hosted Talk

The Museum hosted a talk of Mr. Paulo De Grandis, Italian Contemporary Curator, at SBP Karachi on October 25, 2017. A large number of audience, including bank officials, museum professionals, students and media persons attended the seminar and appreciated the efforts of SBP Museum.

6.10.3 International Museum Day Celebrated at SBP Museum

The Museum since its inception is actively taking part in the activities of International Council of Museums (ICOM) including celebrations of International Museum Day and other special designated days. This year theme was "Hyper Connected Museums: New Approaches, New Publics". Hyper Connectivity is a term invented in 2001 to design multiple means of communication (currently being used such as face-to-face contact, e-mail, instant messaging, telephone and the internet). This global network of connections becomes each day more complex, diverse and integrated. The objective was to engage new publics and strengthen their connections with the museums. Participants included students, senior scholars, management people, and museum professionals.

6.10.4 Magnify-Science Exhibition (October 06-08, 2017 at Karachi)

The State Bank Museum has a history of actively participating in educational exhibitions and seminars to impart education through Museum Outreach Programs. The Museum is playing an important role in indirect education. In this connection, SBP Museum actively participated in three days Magnify-Science Exhibition, 2017 organized by The Dawood Foundation.

6.10.5 Children Literature Festival (Nawab Shah, Lahore and Turbat)

The SBP Museum staff actively participated with an informative work plan in the children literature festivals held at Nawabshah, Lahore and Turbat on October 18-19, 2017, January 12-14, 2018 and March 03-05, 2018 respectively. During Children Literature Festival, the Museum staff focused on the following:

- Teach Children model making/ replicas of coins
- Education through posters, story of Pakistani coins, currency and stamps
- How to shine coins
- Enlarged models of coins and currency
- Talk/ presentation about history of State Bank and coins and currency
- Digital photography of coins and currency

6.10.6 Summer Camp 2018

Summer camps are source of enrichment and memorable experiences for children. Accordingly, two sessions on annual basis were organized. The dying arts and crafts are taught along with the art of calligraphy in English and Arabic. As per its tradition, SBP Museum organized educational summer camps for the children of SBP, SBP-BSC and NIBAF employees from May 28, 2018 to June 08, 2018.

6.10.7 Transcription of Museum's Panels in Urdu Version

The informative panels of Museum in English language were translated into Urdu version to provide easy learning atmosphere to visiting students, scholars and public. The same was recorded in the form of digital audio files.

6.10.8 SBP Museum Celebrated Global Money Week

The SBP Museum participated in 7th edition of Global Money Week (GMW) from March 12-18, 2018. The theme of GMW-2018 was "Money Matters Matter". Global Money Week, a CYFI¹² initiative, is an annual money awareness campaign, built to inspire children and young ones to learn about money matters, livelihoods and entrepreneurship.

6.10.9 Workshops for Teaching Photography to Visually Impaired/ Low Vision Students

Photography was taught to visually impaired students along with their teachers of four different blind schools. Public at large appreciated this initiative.

6.10.10 Tech Camp for Physically Challenged People with Assistance of US Department of State

A Tech Camp was organized on January 20, 2018 for two days at Liaquat Memorial Library, Karachi in collaboration with US Consulate General Karachi, NOWPDP and Digital Media Company.

The main objective of the workshop was to invite physically challenged people to participate in a photographic workshop. The SBP Museum provided technical training to visually impaired persons for blind photography.

¹² Child and Youth Finance International