

# 11 Quality Assurance

*The Quality Assurance Department (QAD) was established in SBP Banking Services Corporation in 2008. It aims to provide quality services to all its stakeholders, including State Bank of Pakistan.*

## 11.1 Overview

QAD has published a handbook on procedure of National Savings Schemes in addition to jointly preparing and publishing Business Planning Manual in coordination with DFSD in FY12. Both of these documents were instrumental in bringing uniformity in the relevant business processes across all SBP BSC offices. Apart from this, QAD collaborated with Currency Management, Training and Development Departments, and offices on number of important issues to strengthen its role as a consultant and a facilitator with prime focus on preparing Standard Operating Procedures (SOPs) for various operational tasks.

## 11.2 Background

In pursuit of change management initiatives in SBP BSC and restructuring of departments at Head Office Karachi (HOK), Quality Assurance Department was established in 2008.

The recent years in central banking procedures and practices have witnessed increased dependence on Information Technology tools. That change in the first step prompted orientation of the HR towards IT tools suave attitude as against sticking on to manual work culture. The second most important step has been to rationalize the processes and procedures laid down as statutory documents according to the changing work scenario and environment. Keeping in view the fact that IT adoption in turn demands fast change related adaptability, it was important for the organization to have a setup within its fold to oversee the same from work management perspective. To meet all these challenges QAD has actively engaged in recommending quality standards in different areas of Bank's operations along with identifying improvements for strengthening and simplifying existing procedures. Continuous research is also being carried out to suggest improvement of services at customers and stakeholders level.

## Highlights

- Published a Handbook on Procedure of National Savings Scheme (SSC/DSC) for SPB BSC.
- QAD- DFSD jointly produced Business Planning Manual for SBP BSC.
- Conducted workshop on Business Planning Practices and Manual for SBP BSC.
- Ongoing joint projects with SBP BSC Departments and Offices for promoting standardization, revising procedures and assistance to stakeholders.
  - Working on revamping the procedure of Claim Notes and Claim Prize Bonds procedure with the support of CMD.
  - Initiated support to T&DD and PMD in conducting in-house TNA for OG-1 and OG-2.
  - Designed training programs in diversified areas such as "Occupational Health and Ergonomics" and "Globus Reports-Understanding, interpretation and Analysis" for annual trainings of T&DD, SBP BSC.

This acts as a base for establishing a thorough analysis of different processes and procedures and streamline work across SBP BSC. The department continues to strengthen and realign its Terms of Reference, in accordance with changes in the overall spectrum of activities assigned to the SBP-BSC.

### 11.3 Organizational structure of the department

The organizational structure of the department has been designed keeping in view the above TORs and goals assigned to QAD. The department comprises the following two core divisions:

- Quality Assurance Analysis Division
- Standards Evaluation and Monitoring Division

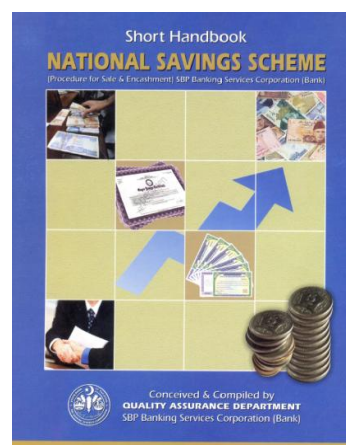
### 11.4 Performance Review

#### 11.4.1 Short Handbook on Procedure of NSS for SBPBSC

Keeping in view the Business Process Reengineering in respect of various operations performed by SBP BSC, a Pilot Project for collating instructions and revamping processes and procedures for the National Savings Scheme (SSC/DSC) of SBP BSC was initiated by Quality Assurance Department. QAD with the support of Currency Management Department and SBP BSC offices reviewed the practices and procedures of SSC/DSC Units and produced Short Handbook identifying therein bottlenecks and suggesting areas of improvements.

The working practices of SSC/DSC unit of different offices of BSC were evaluated keeping in view the instructions issued through different circulars.

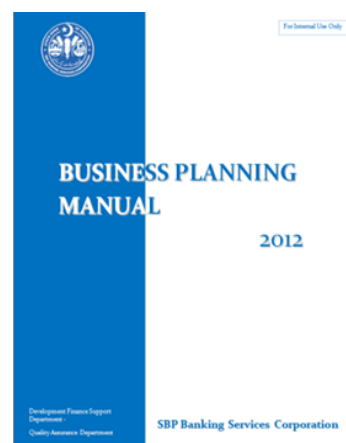
The short Handbook on National Savings Scheme (SBP BSC) facilitates respective unit staff and ensures uniform practices across SBP BSC. It provides adequate knowledge and expertise required for working in SSC/DSC unit besides bringing ease in proper use of automated environment.



#### 11.4.2 Business Planning Manual for SBPBSC

Business Planning describes a set of goals and objectives striving towards organizational Vision and Mission. The Business planning process encompasses formulation of the strategic goals with an action plan to achieve them and facilitate corporate culture besides an efficient allocation of resources.

To create awareness and streamline the Business Planning practices across SBP BSC, a developmental project in two phases was initiated in collaboration with DFSD.



### Preparation of Business Planning Manual for SBP BSC

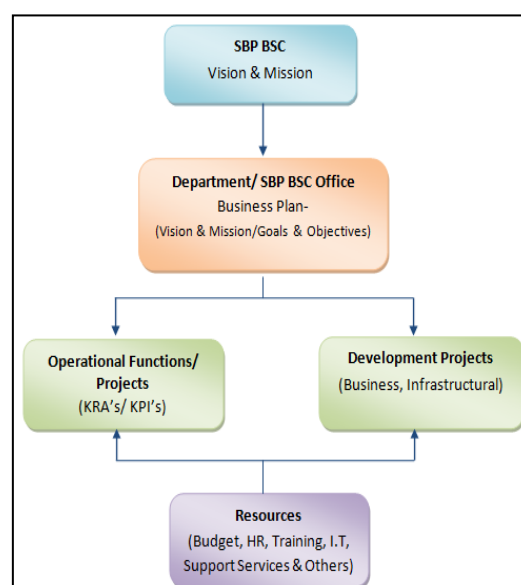
The business planning practice in its true sense was necessitated in SBP BSC as a standard Business Planning Reporting structure was lacking. Therefore, a simplified reporting mechanism was introduced across the organization with the help of Business Planning Manual.

The main objective was to develop a comprehensive Business Planning Manual which could serve as a reference document to prepare Annual Business Plans. Standardization of structure and formats along with presentation were also highlighted.

Practices being adopted at SBP were important for understanding and a customized shape was derived from them with an approach to minimize varied interpretations across SBP BSC. Efforts were made in designing and defining user friendly guidelines, structure and instructions, which could assist BSC Departments and Offices to prepare their Business Plans in accordance with the set criteria and standardized formats.

Keeping in view different scope of activities at BSC Departments and Field Offices, the document caters for and aligns both of them. The document has standardized the following main areas of Business Planning.

- Structure of Business Plan for BSC Department/ Office
- Standardized Formats and details
- BSC Department and Office wise details
- Operational Activities
- Summary of Previous year's Development Projects
- Details of Development Project
- Resources Requirement (Training, HR, IT, Budget, Support Services)
- Business Planning Presentation Format.



The document also elaborates the effective Business Planning and provides details on

- Annual Business Approval Process
- Quarterly review mechanism on developmental projects

To facilitate users, comprehensive Glossary has also been provided in the BP Manual which contains explanations of various concepts relevant to the Business Planning and manual.

The document was first sent to all the BSC Departments and Offices for value addition and feedback and finally Business Planning Manual for SBP BSC was prepared and launched in April, 2012.

This has been the second major contribution from the Quality Assurance Department with the coordination of DFSD to introduce standardization and corporate culture in SBP BSC.

### Workshops on Business Planning Manual

Workshops on “Business Planning Practices and Manual for SBP BSC” were conducted at NIBAF, Islamabad and Karachi. The business planning coordinators from all the respective BSC Departments and Offices attended the 2-day workshops in the month of Feb- March, 2012.

Business Planning practices done previously in SBP BSC were focused and the management understanding on the importance of effective business planning was conveyed. The basic differences between the Operational projects and Development projects were communicated and categories of Development Projects with their feasibility understanding and usefulness were discussed.

Interactive workshops were carried out where the participants were given a walk through the Business Planning Manual and each section was critically reviewed and discussed. The participants in the end came up with their own respective Business Plans according to the criteria set out in the new Business Planning Manual.

### **11.4.3 Facilitating- Master Circular on Clearly Payable & Claim Prize Bonds**

Quality Assurance facilitated Currency Management Department in reviewing existing practices on clearly payable and claim prize bonds procedure at BSC Karachi Office. The prevailing practices were critically analyzed and the gaps between the instructions and existing practices were considered. The workflow was designed in two phases:

- Claim of Prize Bonds- Next Day
- Clearly payable Prize Bonds- Same Day

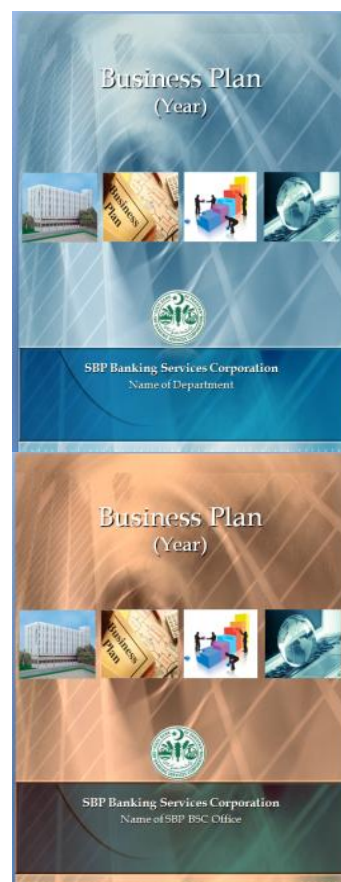
The proposed process workflow on Claim and Clearly Payable Prize Bonds was produced and submitted to CMD by May, 2012. The proposed workflow by QAD will act as base for CMD in devising a Master Circular on the subject matter.

### **11.4.4 On-Going Projects**

#### Pilot Project on Claim Notes Procedure for SBP BSC

Quality Assurance initiated a Pilot Project on reviewing the Procedure of Claim Notes exchange over the counter. In this context, a cross Departmental and Office committee comprising of members of CMD and Karachi Office was formed under the lead of QAD to review the process critically and recommend initiatives in two phases.

- Service effectiveness measures
- Procedural oriented amendments



The purpose of this project was to simplify the claim procedure to facilitate the stakeholders with minimum risks. The committee evaluated the existing practices and the instructions regarding claim notes and came up with existing workflow which was duly vetted by BSC Offices.

On the basis of process effectiveness and facilitation to staff and claimant, a workflow was proposed and disseminated to the respective quarters for feedback. The feedback on the proposed workflow has been received by June, 2012 and the work on the project has been carried out in five phases.

- Revamping one window procedure
- Simplification of L-2 Application form
- Revamping Next Day Procedure
- Globus and system amendments
- Pilot testing
- Booklet on Procedure of Claim Notes for SBP BSC.

The first two phases have been accomplished and a draft with the simplified L-2 application form has been prepared. SPD/ ISTD support may be required in proposing the Globus module, reports and system amendments.

The updated standard operating procedure would ensure effective functioning of the unit, resource utilization and use of automation. At the final stage, a pilot testing will be conducted at selected offices and the proposed booklet on Procedure of Claim Notes will be submitted for the approval.

#### Training Needs Analysis for OG-1 and OG-2

The Management of SBP BSC believes that employees can perform better if they are fully equipped with knowledge and skills the job requires and trained in soft skills matching their grade/ position in the team. For the purpose it was decided to conduct the Training Needs Analysis in SBP BSC to evaluate the skill gaps, rationalize trainings and provide forum to employees in assessing the trainings and opportunities to avail them. HOD mutually decided to conduct in-house TNA for OG-1 and OG-2.

Quality Assurance Department in coordination with T&DD and PMD undertook the responsibility. The task was divided in two portions for QAD:

- Designing a Questionnaire for survey
- Designing a work plan and conducting the TNA in accordance.

The questionnaire draft has been prepared and shared with T&DD, PMD and CM, Karachi Office. The same may be reviewed and a pre-test TNA may be launched at Karachi Office.

The work plan for TNA has also been designed by Quality Assurance and with the collaboration of T&DD it may be put for approval for proceeding with the TNA.

### **11.5 Future Outlook**

The department is focusing on re-organizing its activities to enable it to assume a new facilitator role with the overall objective to propose standards of efficiency in the areas where the accuracy and prompt completion of the arrangement go hand in hand.

Some of the main highlights for forth coming year are:

- i) Documental Standardization of Operational Activities for BSC Offices
- ii) Introducing Quality concepts at SBP BSC Offices sector wise
- iii) Introducing Turn Around Time(TAT) concept in Banking areas