

6 Human Resource Management

Human Resource Management is the backbone of organizational change management initiatives. The Personnel Management Department (PMD) facilitates the management in creating a desirable work environment for employees to make effective contributions in order to achieve organizational objectives.

6.1 Overview

Personnel Management Department (PMD)¹ continued to advance its strategic contribution towards attainment of organizational objectives during 2013-14. In this regard, various important initiatives were taken in order to further strengthen the human capital-base and its effective utilization on an organization-wide level. The prime emphasis remained on (i) rationalization of workforce; (ii) talent resourcing; (iii) HR policy review; and (iv) implementation of a performance-driven culture.

6.2 HR Profile

The grade-wise comparison of head-count for FY13 and FY14 (**Table 6.1**) shows that the working strength of BSC has reduced by 483 employees, i.e. from 3,589 to 3,106 or 13.5 percent. The Bank's futuristic HR requirements would entail high caliber, cost-effective and technology-savvy professionals to be inducted in appropriate numbers and at suitable intervals. Additionally, the major interventions would focus on targeted trainings, leadership development, and credible succession planning arrangements, robust PMS, technology up-gradation and outsourcing of selected non-core activities.

Table 6.1: SBP-BSC Working Strength		
Grade	No. of Employees	
	FY13	FY14
OG-6	3	2
OG-5	19	17
OG-4	68	61
OG-3	178	158
OG-2	1,027	864
OG-1	1,188	1,004
Below OG-1	1,106	1,000
Total	3,589	3,106

6.3 Talent Resourcing

PMD pursued a merit-based talent management policy, under which several recruitment drives were initiated to resource the Bank with qualified candidates, both at entry and mid-level positions. A brief on the recruitment drives in the year under review is given in **Box 6.1**.

¹ Renamed as "Human Resource Management Department (HRMD)" in terms of Circular No. PMD/(ODD-112)/41/2014 dated October 2, 2014.

Box 6.1 Brief on Recruitment Drives FY14

1. Young Professionals Induction Program (YPIP) – 3rd Batch

A batch of 60 candidates has been selected under YPIP for appointment as OG-2 officers in the SBP-BSC. The candidates are currently undergoing a 12-week extensive training program at NIBAF, Islamabad.

2. Junior Officers (OG-1) – 2nd Batch

To fill in the gap of human resources prevalent in the cash management and banking services, particularly at the Field Offices, 60 candidates have been selected as Junior Officers. The candidates are set to undergo training of up to eight weeks at NIBAF, Islamabad.

3. Hiring of Engineers

In order to meet skill gap in the Engineering Department, two recruitment drives for hiring of engineers were initiated under which three Executive Engineers and 14 Assistant Executive Engineers (on contract) have been selected. The induction of these engineers is aimed at capacity building of the engineering function and to augment the restructuring of the Department.

4. Hiring of Doctors

The recruitment drive for hiring of contractual doctors for the Bank's dispensaries across the country was initiated. The selection process in this regard has been completed and the successful candidates are expected to join the Bank shortly.

5. Hiring of contractual Security Officers and Security Guards

In order to further strengthen the security function in the Bank, PMD initiated two drives for hiring of ex-servicemen as Security Officers and Security Guards on contract basis. Accordingly, 70 Security Guards have so far joined the Bank while hiring of 10 Security Officers is expected to be completed shortly.

6. Specialized Professionals

To strengthen the Procurement and Industrial Relations areas, a drive for hiring of experienced professionals at OG-4 level was initiated. After a competitive process, three professionals have been inducted in the Bank.

6.4 Policy Review & Development

6.4.1 Revision in Compensation and Benefits Structure of BSC Officers

Based on the compensation policy of the Bank, a salary survey was conducted through an external consultant in order to align the officers' compensation structure with that of the market. In this regard, surveys were conducted for two separate categories of officers i.e. i) officers under the Old Monetized Salary structure (OMS); and ii) officers under the New Contributory Provident Fund (NCPF) & New Gratuity Fund (NGF) schemes. Based on the survey results, the salary increase was announced for the officers. Further, benefits to OG-4 and above officers were also enhanced, including car allowance, mobile phone cost/charges, driver salary, and fuel allowance. The salaries of contractual staff like Security Officers, Doctors, and Security Guards were also revised keeping in view their performance with certain inflationary adjustment.

6.4.2 Increase in Pension/Minimum Pension to the Bank's Pensioners

Keeping in view the increase in cost of living, an across the board 13 percent increase in pension has been allowed to the pensioners/family pensioners for employees retired/expired up to June 30, 2013. Moreover, the limit of minimum pension/family pension has been enhanced from Rs. 6,000 to Rs. 8,000 per month.

6.4.3 Charter of Demand Agreement 2013

As a result of signing of Charter of Demand with CBA, the salary and benefits of clerical/non-clerical employees were increased. In addition to 13 percent salary increase, a number of enhanced benefits were extended like limit of overtime allowance, conveyance allowance, benevolent fund grant, severe winter allowance, hardship allowance, uniform payment, reimbursement of education expenses, medical facility, and cash award on improvement of academic qualification.

6.4.4 Annual Merit Increase (AMI) Budget

In line with the objective to develop Pay-for-Performance Culture, the AMI budget for officers was increased to 11 percent of the salary budget. This would further incentivize and motivate the top performers towards delivery of desired results and add value to the organization's functioning.

6.4.5 Revision of HR Policies

As a part of organizational development initiatives, various HR policies were reviewed like revision in travelling & transportation facility, grant of personal loan, HBA installments for construction purposes, merit scholarship scheme, rate of incidental allowance during training at NIBAF, etc.

6.5 Improvements in the Performance Management System

In order to reinforce the performance-driven culture, the following initiatives were taken during the year:

- a. The PMS Bell-Curve quota for officers was further improved and made applicable on the population size of a group of 15 or below with the ratio of 40:60 (A & B+ = 40% and B, C & D = 60%). Accordingly, the Bell-Curve quota distribution for the performance year 2013-14 was determined as under:

A	B+	B	C	D
10%	18%	47%	15%	10%
On earning basis				On earning basis

- b. In order to strengthen the performance feedback mechanism, a mandatory performance feedback process was initiated under which all officers were to be provided formal feedback on their performance during the performance year. Other changes relating to PMS were introduced to streamline the system and remove certain incongruities at the implementation level.