

Our fast-paced working environment drives a high performance culture. We believe in open feedback and performance-based rewards. Our people live the values and ethics of Nations Trust Bank because they find it such a great place to work.

The vision of Nations Trust Bank is captured in the idea of making life simple by being the benchmark of convenience. This culture of making things simple and easy for our customers was further prompted in 2009 through a variety of HR initiatives, detailed below.

**RESOURCING**

In 2009, the end of a 30-year war opened the prospect of business expansion in Sri Lanka’s North and East. New personnel, fluent in Tamil and comfortable with local ways, will be needed to staff new NTB branches and other operations in these areas. The first step towards recruiting them was taken with the holding of a Career Guidance Programme in Vavuniya, which was well attended as we had expected. From examinations and interviews of attendees who expressed interest in joining the Bank, the HR team was able to identify and recruit staff to man our branch in Vavuniya. All new entrants attended a structured induction programme where 40% of the time was spent in cultural integration. The branch opened for business on 24th August 2009.

We acknowledge with gratitude the support of Mrs. Charles, Government Agent, Vavuniya. Through her our activities in the district were greatly encouraged and facilitated.

Another important HR initiative in 2009 was, the redeployment of personnel over the NTB branch network so that staff strength at a given branch is proportional to the average business volume of that branch. This contributed greatly in managing staff costs.

The staff induction programme was revised and increased in duration to ten days.

**STAFF NUMBERS**

2005	2006	2007	2008	2009
549	820	1,239	1,615	1,532

**TALENT MANAGEMENT**

The year under review saw substantial investments in talent management. Of particular note was the decision to retain the services of Hewitt International, a leading international human-relations consultancy, to help us define required competencies and inculcate them through talent analysis and coaching. First, Hewitt helped us define a ‘Competency Model’ to align with the vision, mission and values adopted by the Bank in 2008. This was followed, in 2009, by an assessment of the leadership potential of the senior team by means of a feedback tool known as ‘Lifestyle Inventory’. Superiors, peers and subordinates gave their evaluations of each senior team member. Four senior-management coaches from Hewitt conducted one-on-one coaching sessions for the senior team based on the results obtained from these assessments and evaluations. The feedback sessions were well received and the process continues in collaboration with Hewitt. A first ‘group development session’ will be held in March 2010.

We plan to offer a similar programme for middle-management staff in 2010.

**PERFORMANCE MANAGEMENT**

All management staff from the CEO downwards are rated according to the balanced-scorecard method, which is primarily used for staff development and reward assessment.

Key accountabilities were established at the beginning of 2009. All staff were subject to at least one formal mid-year review.

A standardised procedure is in place to address staff grievances arising from the above process. HR has also established a counselling process to address unsatisfactory performance.



## Stakeholders Well Rewarded

**Interests of all stakeholders with diverse needs are well looked after**

### Central Bank of Sri Lanka

We endeavour to comply in spirit and letter, with the directions, determinations and guidelines issued by the Central Bank.

### Customers

Service standards have been established in terms of the speed of processing applications, handling customer queries, time taken to serve, etc. Unparalleled levels of convenience are offered by way of facilities such as 365 day banking, Bank At Your Doorstep, eChannels, Branch and ATM Networks etc. Business units evaluate the support service units in an Internal Customer Survey where the rating improved from 3.0 to 2.8 during the year 2009, an indication of the Bank gearing itself to better serve its customers.

### Shareholders

Share price appreciated from Rs. 18.25 in December 2004 to Rs. 36.75 by December 2009. Rs. 860 mn was paid as dividends out of a cumulative profit after tax of Rs. 2,232 mn generated over the past 5 years. ROA and ROE improved from 0.22% and 3.36% in 2004 to 0.99% and 15.05% respectively by 2009.

### Employees

Employee Engagement Index (evaluated on the basis of overall satisfaction with working experience, sense of belonging to NTB, willingness to recommend NTB to friends/relatives and being inspired to give of one's best efforts) has improved from 58% to 71%. The Bank's investment in Training and Development amounted to Rs. 108 mn from 2005 to 2009. (For definitions, please refer the Glossary on page 128.)

## TRAINING & DEVELOPMENT

In was a busy year for the training team, with more than 9,000 trainee days completed. Training and Development played a pivotal role in developing and maintaining the Bank's performance culture. The annual training cycle commenced with year-end appraisals, in which the training needs of individual personnel were identified. Objectives and goals of departments were discussed with their respective heads and integrated with the appraisals to plan training programmes for each department and to identify attendees. Special attention was paid to aspects of customer service, communication skills and teamwork, as well as developing a succession of potential leaders within the Company. Special emphasis was also given in developing the technical skills and knowledge necessary for compliance with banking regulations amongst our staff.

Nations Toastmasters, a club originally begun with the aim of improving staff communication skills, has acquired public distinction in its very first year of existence, a noteworthy achievement for any such institution.

In 2009, the Bank introduced 'Product Certification Programmes' for certain specialised types of businesses. Staff members can follow these programmes to acquire and enhance their competency in these areas. Eventually, only staff thus certified will be assigned to these areas, ensuring a high standard of competency.

New modules were added to the 'e-learning' programme, enabling each staff member to acquire new skills and competencies at his or her own pace and convenience.

Other events which were held to promote staff development during the year are: Nations Masterminds, Inter-Cluster Quiz, Nations Best Speaker Contest and the Inter-Departmental Debating Championship. The enthusiasm and commitment shown by staff at these events is commendable and the competitions were of a high standard.

## REWARDS AND RECOGNITION

The Bank operates a number of rewards schemes, both financial and non-financial. Sales incentives, Star Performer, Customer Service Awards and the CEO's Club are some of them. Adding to this the 'Nations Quality Circle', an award for the best quality initiative, open to all staff was launched in 2009. Nominations were received and validated by an independent panel and the best initiative was selected and rewarded.

## EMPLOYEE COMMUNICATIONS

All employees who left the Bank in 2009, attended an exit interview with HR at which their feedback was recorded for later action, if necessary. The Internal Customer Survey, which was conducted twice in the year under review has proved to be a rich source of feedback for the support services of the Bank. It has greatly improved the quality of our internal customer service.

HR also plays a pivotal role in improving the NTB's internal communications. Its Joint Consultative Committee system facilitates employee representation to the CEO and corporate management. Employee suggestions and other feedback are taken constructively and corrective action implemented as deemed fit.

The CEO and Head of HR made it a point to visit branches over the course of the year and engage themselves in open discussion with staff. This 'Small Pocket' interaction concept has given employees the confidence to air their views freely.

## STAFF WELFARE

If we had to explain the purpose of our staff welfare team, we might do it by quoting Lincoln's famous trope, saying that it is 'Of the people, by the people, for the people.'

In 2009, our Sports and Welfare Club carried out a number of activities. Some of the year's highlights are listed below:

### Anniversary Social

The year marked the tenth anniversary of our Bank. In celebration of this, a grand Staff Social was held at BMICH. Staff members who commenced employment at the inception of the Bank were rewarded for their long, tireless service.

### Sports Day

The Annual Sports Day was held in June. There were numerous track events and much fun was had by all, while our more energetic staff members relished the opportunity to show off their sporting skills and physical fitness.

### Christmas Party

The Christmas Party is an annual event organised for the children of our staff. This year, attendance at the event was swelled by children from the Pamunuwa and Panadura orphanages, whom we invited to join our own children in celebration of the festive season. Forty children from these orphanages accepted

our invitation. Their evident pleasure at sharing in the fun and excitement was more than sufficient reward for the small extra effort and expenditure incurred. Members of the Sports Club are commended for their untiring efforts in making this event a success.

### IDP Relief

The welfare team also helped coordinate a staff initiative in aid of internally-displaced people in Vavuniya, which resulted in a collection of Rs. 1.6 mn from staff members. The team subsequently visited the Vavuniya camp and handed over provisions purchased with these funds.

### Staff Sports

It was a year of sporting success for our staff, whose active and enthusiastic involvement in badminton, basketball, netball and cricket paid off in public competition.

Our badminton team won three titles in a single tournament, securing the following coveted challenge trophies for the bank:

- Men's Veterans Team: champions for the fourth consecutive year
- Men's Team: Mercantile 'C' Division Champions
- Women's Team: Mercantile 'E' Division Champions

In basketball, the Nations Trust Bank Women's Basketball Team won the Mercantile 'B' Division Champions, while the Men's Team were Runners-up in the MSBA Delmege Super League 'A' Division and won the MSBA Ram Ratnawel Challenge Trophy to emerge champions in the 'D' Division. The team was also 'A' Division Runners-up in the MSBA HNB semi-league tournament.

Our netball players were declared champions in the Mixed (men and women) category, while the Women's Team made it through to the quarter-finals of the Sri Lanka Sports.com Challenge, which was held in December.

In softball cricket, our team emerged as Winners in the Mercantile Softball Cricket Sixes. Our bowling team was ranked Runners-up in the HNB Assurance Welfare Society Bowling Tournament.

### National Representation by Our Staff Members

Three members of our staff represented their country in international competition. Eranga Alwis of the Central Operations Department helped Sri Lanka win the Bronze medal in team squash at the Eleventh South Asian Games, which was held this year in Bangladesh. Sidath Senanayake and Prageeth Pushpakuma of the Central Operations Department also represented the National Basketball Team at the South Asian Games.



1. Cutting of Cake at the 10th Anniversary of the Bank Social.  
 2. 'Christmas with a Difference'.  
 3. Our staff participating enthusiastically at the Annual Sports Day.