

# Our Strategies are carefully articulated. We place the following aspects at core, when devising our Strategies.

The Senior Management of the Bank has to craft appropriate strategies to address the aspects described in page 36.

## **ECONOMIC PERFORMANCE**

A satisfactory economic performance is essential if a business is to survive. It needs to be excellent if it is to truly grow and prosper in the long term. A healthy economic performance will lead to business growth, market expansion and capacity building. In an enterprise of the scale of the Bank a robust economic performance will also make a significant contribution to the economy as a whole. It is also interlinked with environmental stewardship and community development, all of which ultimately contribute to the sustainability of the business. Thus, a strong bottom line will extend to the triple bottom line; contribute to sustaining the environment and society.

The Bank has a four pronged approach in managing its economic performance, which includes strategic vision, goals, targets and monitoring. All the above are underpinned by innovation whereby the Bank strives to add value to the customer by introducing new and innovative products and services to the market. NDB enhances these aspects through world-class service and cutting-

edge delivery enhanced by the latest technology which gives the Bank a competitive edge.

## **MARKET PRESENCE**

Market presence is one of the main determinants of business success. In an enterprise of the scale of the Bank, a broad geographical market becomes vital to provide growth opportunities; it will open up vistas for potential as well as existing employees to capitalize on these opportunities and increase their motivation and job satisfaction. Whilst contributing to national economic development, NDB has continuously expanded its market position through organic growth and is represented in every province.

## **ENERGY**

Energy is that one universal resource that every business entity and indeed every organisation, utilises. The resulting impact on the environment has made climate change a global issue. Natural resources being limited, or not replaceable in the short-term at the pace they are being used, using them responsibly becomes imperative for the sustainability of a business and in the long term the planet as well. This imposes the onus on enterprises to minimize their energy consumption.

In this context, NDB has introduced a rigorous process for managing energy utilization, including daily monitoring and energy audits. The recommendations of the audit are implemented and a culture of responsibility towards energy usage is inculcated in the employees as well.

## **EMPLOYMENT**

The Bank firmly believes our employees are the backbone of our organization and the competitive advantage that helps the Bank to forge ahead. Therefore, human resources are a key component of the Bank's strategy. NDB human resource policies and guidelines are tailored to a holistic view of how to retain and motivate employees. With the belief that a healthy body and mind will have a positive impact on their professional and personal, lives a number of recreational and health-oriented activities are provided to the employees. These include the comprehensive gymnasium, NDB Health Week, Work Life Balance Week, Aerobics and Social Dancing sessions etc. which have benefitted not only the employees but also their families. The training philosophy that has been adopted by the Bank is proactive and seeks to ensure that employees are fully equipped and resourced for the purpose of facing challenges and unforeseen changes in the industry/environment.

## **LABOUR/MANAGEMENT RELATIONS**

Labour/Management relations are very important because this is the bedrock of the status of human resources in any business and poor relations can result in low productivity and high staff turnover. Two-way communication and transparency can also build long-term value for the business by making the staff feel valued. We give them an opportunity to contribute ideas and seriously consider their suggestions.

During 2016 principle acceptance was given for an employee association to represent certain categories of staff. The Association will be a complementary channel of communication that will strengthen employee relations.

## **TRAINING AND EDUCATION**

The Bank's human resources need to be retained and nurtured and the training and development programme at NDB is geared towards this. This is taking into consideration the Bank's long-term objectives and ultimate goals. A culture of continuous learning and development is instilled into the staff with them being nominated for training programmes internally and externally to improve their knowledge and skills as well as enhance their career growth. Banking courses in association with the Institute of Bankers, Sri Lanka have been held at the Bank enabling staff to follow these programmes in-house.

## **DIVERSITY AND EQUAL OPPORTUNITY**

The employees that come together to make up the NDB family come from diverse backgrounds, ethnicities, religions and ages. The Bank draws on this as a strength to source a diverse cross-section of talent, skills and education. Managing diversity at NDB focuses on maximizing the abilities of all employees to contribute towards the achievement of the Bank's goals.

Diversity and equal opportunity also include gender equality. At NDB, women form 40% of the Senior Management group and 63% of the managerial and supervisory staff. The senior management at the Bank comprises of six females and seven males. Working conditions for both males and females are identical with no discrimination shown towards the 39% female workforce.

Rewards and remuneration at NDB Bank are performance driven. The evaluation system includes performance development objectives and performance criteria that are drawn up in a participatory process, backed up with performance reviews. Compensation/remuneration offered by the Bank to all employees is based on competitive salary scales determined by salary surveys in the industry.

## **LOCAL COMMUNITIES**

No business is an island and in order to sustain and grow the business it is imperative that the Bank focuses on the significant stakeholders, one of which is the local communities neighbouring where the Bank operates. The Bank has 104 branches island-wide located in rural as well as urban areas. For the long-term operation of these branches, especially those in rural areas, it is vital that the branches are interlinked with the community and the community has a positive perception of the Bank. The Bank also often depends on the community as a recruitment base. The Bank has a responsibility to create value for the local communities which goes beyond job opportunities and banking services; it needs to promote the well-being of the communities in other ways as well.

## **PRODUCT AND SERVICE LABELLING**

Product information is directly linked to increased sales. In this technologically savvy, data-driven society, consumers are becoming more discerning and demand more information

and transparency before making a purchase. Social media and other online sources provide more outlets for dissatisfied customers to air their grievances which increases risks for the business. Furthermore, the fact that financial products and services are generally perceived to be complicated, is a barrier to marketing, which needs to be broken through. There is therefore a need for adequate transparent and relevant information to be provided to customers. Information related to the products and services of the Bank are available in all three languages and all relevant information is provided by the relevant staff to the customers. The Bank also educates customers and potential customers, providing information through various events conducted island-wide.

## **CUSTOMER PRIVACY**

One of the most valuable services a bank can provide is the ability to protect its customers' privacy. The Bank recognizes this and gives extreme importance to keep customers' personal information accurate, confidential, private and secure. The Bank has deployed secure systems and procedures all throughout the Banking transactions and continuous effort is being made to develop them. Further, the bank has incorporated 'customer privacy' as an integral part of the employee code of conduct to ensure the value of protecting customers' privacy.