

CEO'S MESSAGE

...it is my call that we remain focused to ensure a successful implementation of the outstanding objectives in our 2007 - 2011 strategy.



I am delighted to extend my warmest greetings to you at the start of another year, 2011.

The year 2010 was another successful year for the Bank though there were also a number of challenges.

During the year, as you all know we successfully migrated from Bankmaster/Branchpower to T24, a new banking software which we purchased from Temenos. Most of you worked long hours in order to make sure that we continued to offer a perfect/quality service to our customers. I wish to commend you for your efforts and encourage you to continue doing so.

Last year we continued with our service centre re-branding exercise of service centres to carry the new image of the bank. The major highlight in the re-branding exercise was when His Excellency the State President, Ngwazi Professor Bingu wa Mutharika officially opened the magnificent MK700 million Mzuzu Service Centre on 19th March.

We then refurbished Kasungu, Mangochi and have just finished Mulanje Service Centre. This now leaves us with the smaller service centres which will also undergo similar face lifts. Head Office project is also on course with cladding almost finished.

The contractors are currently working on internal shop-fitting, tiling and wall finishes among others. It is my hope that this project will be finished during the first half of this year.

Our biggest challenge during the year was shortages of forex which affected our international trade business as we failed to meet forex demand of our importing customers. Other challenges that affected the economy included erratic supply of fuel on the market and frequent electricity power black outs.

This year will be an important year to our company as we will be winding up the implementation of our five year strategic plan which we adopted in 2007. It will also be an

important year as it is the year in which I will call upon all of you to contribute constructively to the future direction that our bank should be taking as we plot together the course for the next 5 years in a new strategic plan.

There are a few objectives that we are yet to accomplish within this strategy period and it is my call that we remain focused to ensure a successful implementation of the outstanding objectives in our 2007 - 2011 strategy. Some of the outstanding ones include the possible entry into new geographical markets and the full implementation of the Small and Medium Enterprise Policy.

I wish you all good luck in your respective roles in this new year and expect the same spirit of hard work from everyone of you.

God bless

George Partridge

T24 SYSTEM IS HERE



It is in order, if not belated, to announce that T24 system is now here. Not just being here, but here to stay.

WHAT IT HAS BROUGHT

T24 system has brought, among many others, the following:

- Central customer file: details of each customer for all the modules in T24 system are contained in a single customer file. Whereas, for example, the Bankmaster and IBSNet (Trade Finance) system had two different customer detail file, the integrated Trade Finance and T24 system now have the same detail. The same applies to other modules.
- Non-stop operations of the system i.e. no end of day break
- Interfaces to ATMs, Mo626 and Internet Banking
- Faster and easier cashiering tools especially forex cashiering
- Straight through processing

The journey to get to where we are has been winding, inspiring, rough, and tiresome. Some more adjectives can be added. What it really means is that the system has gone through substantial moulding to fit the bank's needs and aspirations but that has been out of the relentless dedication of an all inclusive

team that spent sleepless nights to have the size tailored to fit and the support of the bank at large.

Much as the T24 system cloth had to be cut to size and tailored to design, there had been, from the few month of operations, need to adjust here and there especially on arrangements (previously popularly called loans). The adjustment has not been without anxiety and pain but nevertheless the end result has been, as expected, an all smile for both the bank and the customer.

Now that the system is here, it is important to rekindle the "innovation" in us - i.e. it is time to innovate. The base has been set, what remains is to grow the system's reach to heights that will not easily be attained by a mere copier of products and services in the industry. This goal can only be achieved by a unified vision and team work.

WHERE TO?

2011 is another year of movement in T24 system.

Watch this space. ■



2010 BEST STUDENT AWARDS

Every year since 1981, National Bank of Malawi made it mandatory to honour students from the University of Malawi who excelled in their respective faculties of the University in order to encourage them to excel in their studies. The bank gives the qualifying students a years' scholarship, a cash prize and a certificate of excellence. Currently there

are fifteen faculties in the University of Malawi. This annual event emphasizes National Bank's commitment as a good corporate citizen to invest in initiatives of promoting academic excellence.

Last year the Board approved the extension of this initiative to Mzuzu University. Mzuzu

University currently, established in 1997 with three faculties, currently has five faculties and enrolls 1,700 students. It registered the first students (521) in 1998.

The Chief Executive, George Partridge thus presented the first awards at Mzuzu University on 23rd November 2010 to:

- | | |
|----------------------------|---|
| Luke Chiwala | - Faculty of Health Sciences |
| Manson Mtambakulima | - Faculty of Education |
| Noel Maganga Banda | - Faculty of Environmental Sciences |
| Emmanuel Ngalande | - Faculty of Information, Science and Communication |
| Simpha Masawu | - Faculty of Tourism and Hospitality Management |

Each of the five students received K100,000 and a certificate.

Alongside the awards the Chief Executive also donated classroom chairs worth K1.0 million.

The 2010 University of Malawi awards will be presented in February or March this year. The delay was due to some logistical challenges. ■

KNOW YOUR PRODUCTS/SERVICES



Foreign Currency Denominated Account (FCDA)

This column will be informing staff the products and services the bank is currently offering so that we all end up being knowledgeable of our products and services.

This edition covers one of the products on offer at our Treasury and financial Institutions Division. This product is ideal for Malawian in the diaspora. If you have a relation or a friend currently working outside Malawi, this is the product you need to encourage them to have for their savings. This product is the Foreign Currency Denominated Account (FCDA).

SO WHAT IS AN FCDA

An FCDA is an account opened in foreign currency in the books of the bank for individuals, non governmental organizations, business organizations and corporations who have a confirmed source of regular foreign currency inflow. The account can be opened in the following currencies; USD, GBP, EUR and ZAR.

An FCDA for Malawians living abroad is no ordinary account as the receipt into this account are not subjected to the 40% conversion requirement as set out in the Reserve Bank of Malawi Exchange Control Directive. This means that the whole 100% receipted is credited into one's account. The account operates like a current account where there is no minimum balance requirement.

HOW DOES ONE OPEN THIS ACCOUNT?

The approval differs dependent on whether one has already a Malawi Kwacha account with the bank or not.

Existing Customers

If the Malawian living abroad has an existing Malawi Kwacha account with one of our service centres, the procedure is very simple. Just advise them to put an application requesting to have such an account opened

with their service centre together with completed application form for opening accounts.

The contact details for our service centres and the application forms are available on the bank's website www.natbank.co.mw under "downloads" and the name of the form is "Application form for Opening a Personal Account and Mandates."

New Clients

Malawians in the diaspora who do not have an account with us will need to use an attorney or a relation in Malawi to have the account opened on their behalf. Besides, the prospective customer should provide his or her particulars to the service centre concerned. The particulars to include photocopies of passport duly certified as true copies by relevant authorities.

What are the advantages

- Maintaining such an account will ensure that one is protected from exchange rate fluctuations if payment is made in the same currency of the account.
- Customers can keep the whole 100% of funds transferred to their account and only change to Malawi Kwacha when in need of the local currency.
- Interest is earned on balances above the stipulated minimum as follows:

United States dollar on balances above US\$500

British Sterling Pound on balance above GBP300

South African Rand on balances above ZAR3,000

Euro on balances above EUR300

Feedback on what other products you would want to see in our next issue should be emailed to any of the editors. ■

CULTURAL TRANSFORMATION IN NATIONAL BANK OF MALAWI

One of the key strategic objectives we are supposed to achieve is to inculcate a culture of service excellence in the bank. This is in view of numerous complaints we get from our customers.



By Ephraim Nayeja

In order to try and address the shortfalls, there is need to facilitate workshops on cultural transformation and total quality management from a service perspective involving all change agents, heads of divisions and service centre managers.

The cultural transformation programme will use the theory and tools of Appreciative Inquiry to facilitate real change in the National bank of Malawi and / or employees' lives. Through a combination of powerful conversations and interactive exercises, the programme will enable the bank to gain an understanding of its vision, mission and values and its current performance from its customers' perspectives. This will also enable the bank to build on its strengths and what is working to become a cutting edge. The programme will challenge all employees of the bank to be the change that they want to be through exploration of opportunities to make meaningful contributions to the success of the organisation.

It is therefore expected that the cultural transformation programme will be specially designed to move National Bank of Malawi from its current culture which puts little emphasis on customers to one that is customer centric.

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USE OF PHASED-OUT PASSPORTS AS IDENTITY DOCUMENTS

As you may all be aware, Government has phased out the old passports and is currently replacing these with new ones which have more security features than the previous one.

The bank is aware that not all Malawians have replaced their passports and some of these are presenting the old passports as a form of identity when they come to open an

account or withdraw money from the Bank. In view of the above, National Bank of Malawi has given dispensation to these people to use the old passports up till 15th February, 2011 when it is expected that the backlog at the Immigration Department will have been cleared.

Service Centres are advised NOT to accept old passports as a form of identity after this date (15th February 2011). ■

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WHAT WILL BE THE APPROACH?

Top management and selected change agents will be involved from the very beginning to effectively support the change process. Hence, top management of National will be introduced to this programme before it trickles down to other employees in the organisation.

Over the course of the programme participants will be challenged and encouraged to see themselves as change agents and 'to be the change that they want to see' in the organisation. This is done in two parts.

- a. Three modular workshops of three days each that will focus on (but not limited to) introducing participants to the concept of Appreciative Inquiry, communication, change management, leadership, team building and providing them with tools to become effective change agents.
- b. Projects to implement the change back home (within the bank)
 - Sensing journeys assignment - looking at National Bank of Malawi : a process that will enable participants to actively seek and hear feedback from the organisation's customers' based on their perceptions and experiences of the organisation's services and products, among other things.
 - Breakthrough Initiatives (BTIs).

Based on the customers' feedback, participants will be challenged to develop and implement change-initiatives/projects to implement within the organisation. This ensures actual implementation of the change that the bank set out to achieve.

ACTION PLANS

At the end of each section of the training, participants will be required to complete their own specific action plans, based on what is working in the bank, to help them reflect on how they will apply the skills or knowledge from the training to their own workplace situations.

WORKSHOP DURATION

The cultural transformation programmes will commence in March, 2011 and will likely take nine months up to November, 2011. Actual dates and names of participants will be communicated in February, 2011. ■

NBM STAFF SPORTS FESTIVAL

The sports day is an initiative to foster team spirit and interaction amongst members of staff in National Bank of Malawi. It is in the spirit of team building and enhancing interaction that the event was introduced. The event is held annually and last year the event took place on 13th November at Moneymen Club. The organizing committee was pleased with the turnout and participation of the members of staff in different sports disciplines considering the event was held when it was very hot. Below are some of the highlights of the events: ■



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